Calendar No. 2814

84TH CONGRESS, 2d Session | SENATE | REPORT No. 2766

ESTABLISHING AN OFFICE OF CHILDREN'S AFFAIRS IN THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

JULY 23 (legislative day, JULY 16), 1956.—Ordered to be printed

Mr. LEHMAN, from the Committee on Labor and Public Welfare, submitted the following

REPORT

[To accompany S. 728]

The Committee on Labor and Public Welfare, to whom was referred the bill (S. 728) to provide for assistance to and cooperation with States in strengthening and improving State and local programs for the control of juvenile delinquency, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

The amendments are as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

That the Children's Bureau in the Department of Health, Education, and Welfare shall be raised to the status of an Office and shall be called the Office of Children's Affairs, to be headed by an Administrator (hereinafter referred to as the "Administrator"), who shall have all the powers, duties, and functions now vested in the Children's Bureau and in the Chief of the Children's Bureau, under the provisions of the Act of April 9, 1912 (ch. 73, sec. 2, 37 Stat. 39), as amended, in addition to such other duties, functions, and responsibilities assigned by the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") and who shall be responsible directly to the Secretary for the discharge of such duties, responsibilities, and functions.

SEC. 2. The Office of Children's Affairs shall consist of the present sections and divisions of the Children's Bureau, including the Division of Juvenile Delinquency (which shall become a Bureau), and such other bureaus, divisions, and sections as may from time to time be established or transferred to such Office by the Secretary, in such organizational pattern as the Secretary may decide, subject to the requirements of this Act.

SEC. 3. The Bureau of Juvenile Delinquency provided in section 2 shall carry out such duties with respect to the problem of juvenile delinquency as the Secretary of the Administrator may from time to time direct.

Amend the title so as to read:

A bill to establish an Office of Children's Affairs in the Department of Health, Education, and Welfare.

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EXPLANATION OF BILL

S. 728, as originally introduced, contained six titles, the first of which provided for the establishment of an Office for Children and Youth in the Department of Health, Education, and Welfare. The remaining titles dealt with the establishment of a grant-in-aid program to assist States in strengthening and improving State and local programs for the control of juvenile delinquency, for grants for training personnel engaged in such programs, and for grants for special demonstration programs. S. 4267, reported by the committee on July 21, 1956, deals with the substance of these grant-in-aid programs.

S. 728, as now reported, deals therefore with the remaining title, Title I, of S. 728 as originally introduced.

S. 728, as reported, is substantially similar to title I of the original bill. It would raise the Children's Bureau in the Department of Health, Education, and Welfare to the status of an Office, called the Office of Children's Affairs, to be headed by an Administrator responsible directly to the Secretary of Health, Education, and Welfare, for the discharge of the duties, responsibilities, and functions presently vested in the Children's Bureau by the act of April 9, 1912, and in the Chief of that Bureau. The bill also makes special provision for a Division of Juvenile Delinquency in the newly created Office of Children's Affairs and provides that such Bureau should carry out such duties with respect to juvenile delinquency as the Secretary may direct. Provision is also contained in the bill to permit the establishment or transfer to the Office of such other bureaus, divisions, and sections as the Secretary may direct.

The organizational changes in the Department of Health, Education, and Welfare which would be brought about by the enactment of this bill are in keeping with the recommendations contained in the report made by the Task Force on Federal Medical Services of the Hoover Commission on February 1955:

> The task force recommends: That the Children's Bureau be removed from the Social Security Administration and placed in an administrative position in the Department of Health, Education, and Welfare that will facilitate the major mission of the Bureau. This mission is to take cognizance of the needs of the whole child in the broad fields of health, education, and welfare, support necessary research in the field, and stimulate the utilization of new knowledge by the various agencies of the Federal Government within and outside the Department of Health, Education, and Welfare and in the States.

The committee in in accord with this recommendation. It is of the opinion that the organizational change which will result from this bill is sorely needed. Our concern for the future of our Nation's children can best be evidenced by making certain that their viewpoint is adequately represented in the evaluation and consideration of programs at the Cabinet level. At the present time, that viewpoint is represented secondhand, so to speak, through the Commissioner for Social Security.

The Children's Bureau was originally created in 1912 to be a bold, brave voice speaking out with forthrightness to promote the welfare of children. It cannot best fulfill that function if, organizationally, it is at such a level that it cannot have direct access to the Secretary of Health, Education, and Welfare.

As was stated by one witness (Mr. Joseph Reid, of the Child Welfare League of America) at the hearings on this particular provision:

> The Children's Bureau has long been an institution in American life which has contributed immeasurably to the welfare of children and families. The importance of the Bureau to the American people should not be obscured by the administrative management organizational patterns which now place it in a very subordinate position * * *. The basic function of the Bureau is to be concerned with all children; with health needs as well as social-welfare needs; with poor and rich; with children in their own homes and children living outside their own homes; with the delinquent and the nondelinquent child * * *. Because the Chief (of the Children's Bureau) has not sat on the highest policy levels in the Department of Health, Education, and Welfare, the overall interests of children have not been as well represented as they should have been * * *. As a consequence of working with the Federal Government, it is our belief that the effectiveness of the Children's Bureau has been hampered by its present location. Its Chief has not been fully free to work cooperatively with the heads of other governmental agencies, such as the United States Public Health Service and the Office of Education.

The committee desires to emphasize one other important point made by this same witness when he said:

> Children are not simply another vested interest demanding a place in high councils; they are the future of the Nation.

With this statement the committee is in complete accord. And it is with the objective of protecting them and fostering their best interests that the committee has reported this bill so that they will have a spokesman on their behalf in direct contact with the Secretary of Health, Education, and Welfare.

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MINORITY VIEWS ON S. 728

The undersigned members of the committee oppose the passage of this bill and recommend that it be recommitted because—

1. It constitutes an attempt to achieve a reorganization of important areas of the Department of Health, Education, and Welfare in the face of the strongest opposition from that Department which had no opportunity for adequate discussion of the proposal.

2. The proposed reorganization, if desirable, should more properly be handled by way of existing reorganization procedures.

3. No hearings on this particular bill were held before the subcommittee having jurisdiction, and no meeting of the subcommittee was ever held to consider the same. The bill was drafted by a majority of the subcommittee, which did not include any of the undersigned, and was brought up for the first time before the full committee in executive session on July 21, 1956, at which the undersigned saw it for the first time.

H. Alexander Smith.
Irving M. Ives.
Wm. A. Purtell.
Barry Goldwater.
George H. Bender.
Gordon Allott.

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Calendar No. 2819

84TH CONGRESS, 2d Session } SENATE { REPORT No. 2768

INVESTIGATIONS BY THE COMMITTEE ON LABOR AND PUBLIC WELFARE

JULY 23 (legislative day, JULY 16), 1956.—Ordered to be printed

Mr. GREEN, from the Committee on Rules and Administration, submitted the following

REPORT

[To accompany S. Res. 320]

The Committee on Rules and Administration to whom was referred the resolution (S. Res. 320) providing additional funds for the Committee on Labor and Public Welfare, having considered same, report favorably thereon with amendments, and recommend that the resolution, as amended, be agreed to by the Senate.

This resolution would authorize the Committee on Labor and Public Welfare to expend from the contingent fund of the Senate not more than $30,000 for miscellaneous investigations and for staff studies on the problems of the aging from August 1, 1956, through January 31, 1957.

The amendments added by the Committee on Rules and Administration insure that prior consent will be given by such committee, and by department heads, before the Committee on Labor and Public Welfare may use the reimbursable services of any agency personnel.

A letter, with accompanying budget, from the chairman of the Committee on Labor and Public Welfare, Senator Lister Hill, to the chairman of the Committee on Rules and Administration, Senator Theodore Francis Green, explaining the resolution's purposes, is as follows:

COMMITTEE ON LABOR AND PUBLIC WELFARE,
July 21, 1956.

Hon. THEODORE FRANCIS GREEN,
Chairman, Committee on Rules and Administration,
United States Senate, Washington, D. C.

MY DEAR CHAIRMAN: At its executive meeting this morning, the Committee on Labor and Public Welfare ordered reported to the Senate an original resolution, Senate Resolution 320, authorizing for the period August 1, 1956, through January 31, 1957, expenditures

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not to exceed $30,000, employment on a temporary basis of certain technical and clerical assistants and consultants and utilization of reimbursable services for personnel of the departments or agencies of the Government. Senate Resolution 320 has been referred to your committee.

In approving this resolution, the committee based its decision on two major considerations: The first, that additional normal operating funds for the committee under the Legislative Reorganization Act would be necessary if the committee were to be in a position to meet its responsibilities during the remainder of the present Congress; and second, that there are currently pending before the committee several bills relating to the problems of aging, the scope and complexity of which are such that careful staff study is required prior to taking any action. It is understood that the funds authorized under Senate Resolution 320 would be used to supplement the normal operating funds of the committee as well as to provide for the employment of research and clerical personnel for staff studies on problems of aging in accordance with the attached budget.

Favorable action on Senate Resolution 320 would be deeply appreciated by the chairman and the members of the Committee on Labor and Public Welfare.

With kindest regards and best wishes, I am,

Very sincerely yours,

LISTER HILL, *Chairman.*

Budget

Position	Number	Base salary (per annum)	Gross salary (per annum)	Monthly salary (gross)	Total for period of budget (gross)
STAFF					
Research consultant	1	$8,000	$13,617.69	$1,134.81	$6,808.84
Research consultant	1	8,000	13,617.69	1,134.81	6,808.84
Clerk-stenographer	1	2,580	5,015.31	417.94	2,507.65
Subtotal staff expense					16,125.33
ADMINISTRATIVE					
Hearings					8,000.00
Travel (inclusive of field investigations)					5,000.00
Stationery, office supplies					250.00
Communications (telephone, telegraph)					75.00
Newspapers, magazines, documents					24.67
Contingent fund					525.00
Subtotal administrative expense					13,874.67
Total					30,000.00

NOTE.—Fund requested, S. Res. 320, $30,000.

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84TH CONGRESS
2d Session

SENATE

REPORT
No. 2769

THE TELEVISION INQUIRY

ALLOCATIONS PHASE

INTERIM REPORT

OF THE

COMMITTEE ON
INTERSTATE AND FOREIGN COMMERCE

PURSUANT TO

S. Res. 13 and S. Res. 163

AUTHORIZING INVESTIGATIONS OF CERTAIN PROBLEMS
RELATING TO INTERSTATE AND FOREIGN COMMERCE

JULY 23, (legislative day, JULY 16), 1956.—Ordered to be printed

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UNITED STATES
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80980 WASHINGTON : 1956

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COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

WARREN G. MAGNUSON, Washington, *Chairman*

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NICHOLAS ZAPPLE, *Communications Counsel*

Special Counsel on Television Network Inquiry
KENNETH A. COX
WAYNE T. GEISSINGER

LETTER OF TRANSMITTAL TO FEDERAL COMMUNICATIONS COMMISSION

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
July 23, 1956.

Hon. GEORGE C. MCCONNAUGHEY,
Chairman, Federal Communications Commission,
Washington, D. C.

DEAR MR. CHAIRMAN: I am forwarding herewith a copy of the Interim Report of the Senate Committee on Interstate and Foreign Commerce on the Allocations Phase of the Television Inquiry. This report commends the Commission for the constructive steps it has recently taken, urges it to push its programs (both long range and interim) vigorously and expeditiously, and indicates that the committee intends to follow the course of the Commission's work very closely. I trust that this report will be of assistance to you and your associates in the critical months for our television system which lie ahead.

The committee, in this report, has not commented on the 13 allocations rulemaking proceedings initiated by the Commission except (1) to express strong support for the Commission's interim program of selective deintermixture and (2) to approve generally the factors listed by the Commission to be considered in making allocations changes. However, you will note that the committee urges the effectuation of deintermixture as broadly and as rapidly as possible, not only in as many of these cases as may be found proper but also in other cases now pending before the Commission or to be filed hereafter. The committee considered suggesting certain criteria for guidance in carrying out deintermixture, but has decided to withhold these at this time, while urging the Commission to develop and announce specific criteria of its own so that the broadcasting industry and the general public may guide themselves accordingly.

In addition to the problems, and the possible solutions therefor, which are discussed in the committee's report, I wish to add some comments on certain current trends in the radio and television industry which concern me greatly. Some of these arise from the apparent desire of some stations to place profits ahead of public service, and others seem to be associated with the entrance of large investors into broadcasting. I think these are matters requiring study by the Commission, and I am sure they will be investigated, in due time, by the committee.

I hear and read trade reports of the formation of syndicates with millions of dollars to invest in radio and television. Although this is a growth industry which naturally attracts capital, we who are responsible to the public in this field must bear in mind that very often "he who pays the fiddler calls the tune." Radio and television

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stations should be owned and operated by people who know the communities where they are located, who have a very real and close feeling for them, and who have a strong, primary concern for the interests of their communities. Conversely, such stations should not be licensed simply to the man who has the most money to build or buy them; instead, as already suggested, licenses should be granted to those most likely to provide outlets for the genuine local self-expression which is so essential to our democracy.

Broadcasting stations should not be simply house organs grinding out the tune of big business interests which own them—and there is some evidence that this is a real danger today. The Commission should be on guard against the intrusion of big business and absentee ownership—such as film producers, aviation carriers, magazine publishers, insurance companies, or other large investors interested in the tax advantages offered by the broadcast industry—to dominate the field of station ownership. Instead, the Commission should seek to encourage local, integrated ownership and operation by people interested in long-range service to their communities as a part of those communities. The radio frequencies are a precious natural resource, and the field of communications which they make possible is one of tremendous importance to this country. They should not be permitted to fall into the control of those who are only interested in the profits which can be derived from broadcasting, or in using them for the self-aggrandizement of large corporate owners.

As you know, the committee has concluded the hearings scheduled in connection with the current phases of its television inquiry. The record in these proceedings will be kept open until September 15, 1956, and it is hoped that the Commission can furnish any additional material requested of it by that date. There are, of course, many aspects of the broadcast industry which it has not been possible to touch upon up to this time. Our inquiry will therefore go forward in these areas, with continued interest in the matters heretofore covered in our hearings, including the progress reports from the Commission referred to in the interim report.

Sincerely yours,

WARREN G. MAGNUSON, *Chairman.*

CONTENTS

	Page
I. Introduction	1
II. The UHF problem	2
III. The recent action taken by the Federal Communications Commission—general considerations	3
IV. The proposal to shift television to the UHF band	5
V. The proposal of an expedited program of UHF research and development	7
VI. The proposal of selective deintermixture as an interim measure	8
A. The Commission's action	8
B. The committee's general viewpoint	8
C. Deintermixture should be effected as broadly and quickly as possible	11
VII. The proposal of congressional action to promote manufacture and sale of all-channel receivers through exise-tax relief	12
VIII. Conclusion	13
IX. Summary	14
X. Individual views of Senator William A. Purtell on the television inquiry interim report of the Senate Committee on Interstate and Foreign Commerce	15
XI. Individual views of Senator Thomas A. Wofford on television inquiry by the United States Senate Interstate and Foreign Commerce Committee in which he is joined by Senator Price Daniel	18
XII. Individual views of Senator Sam J. Ervin, Jr., in respect to the TV inquiry conducted by the Senate Committee on Interstate and Foreign Commerce	21
APPENDIX	
A. FCC report and order dated June 25, 1956	22
B. Exchange of correspondence with Department of Treasury regarding excise-tax relief	64

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84TH CONGRESS } SENATE { REPORT
2d Session } { No. 2769

THE TELEVISION INQUIRY

JULY 23 (legislative day, JULY 16), 1956.—Ordered to be printed

Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, submitted the following

REPORT

together with

INDIVIDUAL VIEWS

[Pursuant to Senate Resolution 13 and Senate Resolution 163]

I. INTRODUCTION

The Senate Committee on Interstate and Foreign Commerce has been engaged in an intensive study of the television industry, with the specific goal of insuring development of a competitive, nationwide television system, as intended by the Federal Communications Act. Since the beginning of this session of Congress, the committee has held 31 days of open hearings with regard to the television industry, devoting major attention to the allocations problem, subscription television, and certain practices of the networks. It has heard 145 witnesses and taken 4,905 pages of testimony to date. The committee is still studying the record compiled with respect to the latter two phases of its inquiry, but desires at this time to present certain preliminary conclusions as to television allocations. This report is not intended as a complete and definitive appraisal of all the many aspects of this question as reflected in the voluminous testimony which has been heard, but seeks simply to set forth certain recommendations as to which there seems to be little dispute, and on which action in the very near future is urgently needed.

The committee wishes to commend the FCC for its constructive and farsighted action in adopting its report and order of June 25, 1956, docket No. 11532, a long-range plan, making possible a major shift to UHF through deintermixture in selected markets. This interim report is intended as a general endorsement of the Commission's action insofar as it outlines a course of action which, if expeditiously followed

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to its conclusion, giving due weight and consideration to the public interest, holds promise of resulting in a truly nationwide, competitive television system. With this overall objective in mind, the committee offers the following recommendations for consideration by the FCC in arriving at a solution to this vital problem. (The report and order of June 25, 1956 is analyzed in pt. III herein.)

II. The UHF Problem

It is important to remember, when considering problems in the allocations field, that one must start with the fact that there is a basic scarcity of television frequencies. Even under conditions of most efficient use of the spectrum, there would be a danger of limitation upon the growth and enjoyment of this vital medium. However, when governmental policy or private action leads to wasteful use of these valuable frequencies, a truly serious condition results. Under the impact of policies heretofore pursued by the Federal Communications Commission, compounded by the attitudes of advertisers and the inertia of set owners, such a crisis has developed in this country with respect to the 75 percent of the frequencies assigned for television which lie in the UHF band.

In May and June 1954, because of a rapidly developing downward trend in UHF broadcasting, the Communications Subcommittee of this committee, under the chairmanship of Senator Potter, held extensive hearings on this problem. These revealed that as of that time 127 UHF stations were on the air, 10 had left the air, and 64 had surrendered their permits without ever going into operation. The opinion was commonly expressed that UHF broadcasting was then in a critical condition; it is now clear that its status has deteriorated even more seriously since then.

When the FCC lifted the television freeze in 1952 and issued its sixth report and order, it made 1,875 commercial assignments and 252 educational assignments to the various communities of the country. Of these, 1,319 commercial assignments and 169 educational assignments are in the UHF band,[1] so that this portion of the spectrum was clearly intended to constitute a major factor in our expanding television system. The Commission generally intermixed UHF and VHF allocations in the same communities, although many representatives of the industry warned that this was unsound and would place UHF stations at a competitive disadvantage. The Commission acted on the belief, held in complete good faith, that the role of UHF was going to be so important that stations operating in that band would shortly overcome the initial competitive disadvantages facing them.

All of the experience since then has demonstrated that this basic assumption of the Commission was unsound. When the freeze was lifted in 1952 there were more than 17 million television sets in the hands of the public, none of which was capable of receiving the signal of a UHF station. The licensee of a UHF station was therefore required to try to persuade the individual set owners in his area to spend from $50 to $100 for a converter and special antenna simply in order to receive the signal of the new station. In order to provide an in-

[1] The radio spectrum as presently allocated by the FCC extends from 10 kilocycles to 30,000 megacycles. The Commission has divided the spectrum into various bands, of which the 2 important for our purposes are VHF (which extends from 30 to 300 megacycles) and UHF (which extends from 300 to, 3,000 megacycles).

centive for such expenditures the station operator needed network programing, but he soon found that this was not forthcoming until he had achieved a certain degree of conversion. In addition, despite efforts on the part of this committee, the manufacturers of television sets continued to devote the major part of their production to VHF-only sets, and the percentage of all-channel sets, which are slightly more costly, has steadily declined. The UHF operator has, therefore, never been able to reach all the sets in his area, except in regions where no VHF signals are available. In addition, UHF signals presently have a somewhat more restricted range than VHF, and are more affected by foliage, hilly terrain, and high buildings—conditions which are generally expected to be overcome in the future.

In general, UHF stations have been successful in those areas in which they have had no VHF competition, and have provided a highly satisfactory service to the people of such communities. In addition, some UHF stations have been able to operate profitably in larger markets if there is only one VHF station serving the area. But in those markets where UHF stations have faced competition from two or more VHF stations, the uniform result has been continual financial loss which has either driven the UHF station off the air, or is likely soon to do so if this trend cannot be reversed.

The overall impact of these various factors can be clearly seen in the cold statistics. Construction permits have been granted for some 363 UHF stations, but of these only 151 ever went on the air. Of these, 56 suffered such losses that they left the air. Discouraged by this record, the holders of 111 permits have relinquished them without ever going on the air, while 101 other permits are being held in suspense and will undoubtedly be surrendered unless some solution to the UHF problem is soon found. In fact, if such a solution is not evolved in the near future, many more of the UHF stations now barely able to survive will probably be forced to give up and leave the air. It is no exaggeration to say that the situation of UHF broadcasting today is desperate.

Furthermore, if UHF television is permitted to die, it seems extremely unlikely that it can ever be revived. Research and development in this area would necessarily be affected, and there would be reluctance to invest in the medium. As a consequence, attempts would quite probably be made to preempt the frequencies for other services. It must be remembered that the radio frequencies are one of our most valuable resources. Demands upon them by various types of radio services in this electronic age are increasing every day, as is noted by the Commission in its report and order of June 25, 1956, referred to below. If all or part of the UHF band is released for such other use, it would be virtually impossible to recover it for television at a later date because of the investments which would have been made. With these developments would die all chance for a really effective national television service with equal multiple outlets and widely distributed community stations.

III. The Recent Action Taken By the Federal Communications Commission—General Considerations

On June 25, 1956, the Federal Communications Commission issued its report and order in its docket No. 11532, a rulemaking proceeding

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instituted on November 10. 1955, to examine the possibility of revising the television allocations table.[2] This was the latest of a number of proceedings in which the Commission had considered proposals designed to improve the status of UHF broadcasting so as to permit the development of a competitive, nationwide television system. The Commission has been confronted with the UHF problem for many years and has been criticized by major segments of the broadcasting industry for its failure to take steps sooner to deal with the ever-worsening situation. In fact, some critics have complained that certain of the Commission's own policies served to aggravate the problem and bred confusion and doubt as to the future of the UHF portion of the spectrum.

When the members of the Commission appeared before the committee in January and February of this year, it was impressed upon them that the committee expected them to take affirmative action to strengthen UHF and broaden the base of our television system before the end of the current session of the Congress. The committee is therefore pleased that the Commission has taken action at this time, and, as is noted in more detail below, approves in general of the course outlined in its recent report and order.

In general, the Commission has—

1. Invited comments on the feasibility of shifting all television broadcasting in the United States, or in a substantial portion of the country, to the UHF band.

2. Urged an immediate program of expedited research and development in order to develop more powerful UHF transmitters and more sensitive and selective UHF receivers.

3. Suggested that Congress act to stimulate manufacture and sale of all-channel receivers, either through excise tax relief or through prohibition of the shipment in interstate commerce of VHF-only sets.

4. Acted, as an interim matter, to improve the opportunities for effective competition by issuing notices of proposed rulemaking designed to consider the possibility of selective deintermixture in 13 areas.

5. Relaxed present rules to permit new VHF assignments so long as the distances between transmitters satisfy minimum separation requirements.

6. Promulgated certain new propagation data.

7. Increased maximum authorized power for UHF stations to 5,000 kilowatts.

8. Declined to change the antenna height and power maxima in zone I.

The committee approves of the Commission's action in general, and feels it should proceed forthwith to implement the program. It lacks the detailed information necessary to appraise the new propagation data (item 6) set forth by the Commission, but hopes that this will serve to produce more accurate prediction of television coverages. In particular, it hopes that it is the purpose of the Commission to require all stations to file new maps of their coverage areas calculated on these new bases and showing their coverages on an interference-free basis.

[2] A copy of the Commission's Report and Order is attached hereto as annex A.

The committee's comments on items 1, 2, 3 and 4 are set forth in some detail below. Items 5, 7, and 8, which are of less overall significance, are approved.

IV. The Proposal to Shift Television to the UHF Band

The key to the Commission's long-range proposals for allocations revision is contained in its request for comments as to the feasibility of ultimately shifting all, or a major portion, of television broadcasting to the UHF band. Presumably the Commission will at a later date formulate a definite proposal which will then serve as the basis for a formal rulemaking proceeding directed toward the ultimate goal of a major or total shift to UHF.

The committee agrees that an all-UHF television system would have many advantages. As pointed out by the Commission, such a homogeneous system based on completely contiguous channels would make it possible for stations to compete on a much more nearly equal basis than at present. Furthermore, after the necessary initial transition period, the problem of set incompatibility would be eliminated. Apparently the Commission is also of the opinion that single-band UHF receivers would be less costly and more efficient than present sets. The Commission notes that, as a byproduct of such a shift to UHF, at least the low-band VHF channels might be made available for other radio services, which are presently severely restricted and need additional frequencies.

Also, it seems clear to the committee that the development of an all–UHF system would substantially promote the development of educational television. The great majority of educational allocations throughout the country are in the UHF band. If UHF television does not survive, or survives only in atrophied form, large areas of the country will be deprived of an opportunity to have their own educational television stations. For example, under the present allocations, multiple VHF commercial services are provided in such major cities as New York, Los Angeles, Philadelphia, Detroit, Cleveland, and many others. No additional VHF channels can be made available, so that the educational allocations in these communities fall in the UHF band. Under present circumstances this makes the development of educational stations very difficult, if not impossible.

It should be pointed out that there was little reference during the committee's recent hearings to shifting all television to UHF. It appeared that certain UHF broadcasters had urged such a program in their testimony before the Potter subcommittee in 1954, but without success. Perhaps because of that, they confined their proposals during the present hearings to selective deintermixture. Even the representative of General Electric, which had filed comments in the Commission's allocations proceeding suggesting consideration of the possiblity of an all-UHF service, made it clear that his company was not now proposing an all-UHF television system. Rather, he pointed out that General Electric felt that there should be a major effort to determine the facts as to the ability of UHF to furnish an adequate nationwide service. Because of the tenor of the testimony received, there was considerable support in the committee for immediate action which might well have placed primary emphasis on selective deintermixture and excise tax relief (see below), with the suggestion that the

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Commission, as the expert agency in the field, give serious consideration to the desirability of shifting all or part of television broadcasting to UHF, since it is clear that any substantial hope for expanding our television system must be in UHF.

In addition, the testimony before the committee indicates that even with the foreseeable improvement in UHF broadcasting, there may be circumstances in which VHF channels should be employed in order to provide acceptable service in specific areas. Thus there were suggestions that VHF is needed in areas of rugged terrain or in large cities with many high buildings, because of the greater shadow effect in UHF. Similarly, it appears that VHF may be needed in sparsely populated regions to provide wide-area coverage where there is no likelihood that local television service can be developed. These considerations may be obviated by technical improvements in UHF broadcasting. However, based on the record in the committee's hearings, it appears that they may necessitate at least partial use of the VHF band for some time to come.

In any event, the Commission itself clearly recognizes that there are substantial problems to be worked out before conversion to an all-UHF system can be instituted, much less completed. First of all, improvement in UHF transmitting and receiving equipment must be sought, so that it can be determined whether such a shift to the UHF band would leave substantial areas without television service. In this connection the Commission proposes a program of expedited research and development which will be discussed below.

In the second place, procedures must be worked out which will permit such a transfer to be made (if ultimately found to be practicable) with minimum cost and inconvenience to the public and the television industry. As suggested by the Commission, this would undoubtedly involve a period of transition sufficiently long to encompass the normal replacement cycle for television sets in the hands of the public. The committee notes with approval this suggestion of the Commission. During such a period of perhaps 7 or 8 years, it seems a sound proposal to require simultaneous VHF–UHF transmission of programs by stations being shifted to UHF. Such simultaneous telecasting will permit the use, for a reasonable period, of those VHF-only receivers in the hands of the public when the Commission directs the shift to UHF. Similarly, the transition period will permit reasonable amortization of the cost of VHF transmitting equipment then in use.

The committee feels, therefore, that the Commission has not adopted—and in fact cannot now adopt—a firm and final policy of shifting television to the UHF band. This emphasizes the importance of the program of selective deintermixture upon which the Commission has embarked as an essential interim measure, and which is discussed below. It also gives rise to the danger that this consideration of the possibility of shifting all, or a major part, of television to UHF might drag on indefinitely, as has been charged with respect to certain other Commission proceedings.

The committee therefore serves notice that it intends to follow very closely the progress made with respect both to the long-range project of a shift to UHF and to the intermediate proposals for selective deintermixture. It will call upon the Commission for periodic

progress reports with respect to both matters, starting early in the next session of the Congress. The committee also feels that, while working toward a possible shift to UHF, the Commission should expedite the granting of VHF channels in those areas where no interim proposals of deintermixture are involved. In a number of major markets comparative hearings have run on for an unconscionable time. This has resulted in restriction of program choices for the public and in obstruction to the full development of a third network. These proceedings should be completed at the earliest possible date.

V. The Proposal of an Expedited Program of UHF Research and Development

In connection with its consideration of the possibility of shifting television to the UHF band, the Commission suggests that a program of expedited research and development be instituted immediately, toward the end of achieving the maximum possible increase in the range of UHF stations, and the greatest possible reduction in shadow areas in their coverage.[3] Apparently this effort is to be conducted by the television manufacturing industry, with the Commission cooperating to the fullest extent possible and inviting comments as to the most effective methods of conducting such a program.

Such intensified research and development in regard to UHF transmitters and receivers is, of course, greatly to be desired. It should, in normal course, receive great impetus from the Commission's desire to effect a major shift to UHF. There can be little doubt that the development of UHF equipment in the past has suffered because of confusion as to the future role of UHF in our television system.

However, any proposal such as this involves the possibility of delay and procrastination. The committee joins the Commission in urging the manufacturers of television equipment and other interested segments of the broadcasting industry to undertake, or support, such an intensified effort to develop improved UHF equipment. The committee agrees with the Commission that it would be unrealistic to expect all disparities between UHF and VHF transmission and reception to be eliminated. As soon as it can be determined that UHF performance can be improved to the point that it will permit an all-UHF service without the creation of major white areas, then the program of shifting to UHF should be set in motion.

The Commission is asking the television industry to expend considerable sums of money in pushing research in UHF technology. This requires the most complete good faith on the part of the Commission in pushing forward toward the development of an all-UHF, or predominantly UHF, television system just as rapidly as technical developments permit.

[3] The committee notes that the Commission suggests, among other things, that research be directed toward the possible use of satellites. The committee feels that the Commission should develop orderly procedures for the licensing of satellite stations, including reasonable notice to other stations which might be affected by authorization of such a satellite, with a concomitant right to be heard in the matter. In that connection the Commission should clearly define what percentage of rebroadcast of the programs of other stations would constitute satellite operation. No station should be permitted to conduct such a satellite operation without advance authorization from the Commission.

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VI. The Proposal of Selective Deintermixture as an Interim Measure

A. THE COMMISSION'S ACTION

The Commission recognizes the necessity for interim action pending consideration of its long-range proposals. To that end it seeks to improve opportunities for effective competition among a greater number of stations. In that connection, it formulates certain factors which it will consider in deciding whether (1) to delete VHF assignments to improve opportunities for UHF broadcasting or, (2) in other circumstances, to assign an additional VHF channel.

The committee approves generally of the factors listed by the Commission to be considered in deciding upon channel reallocations. The committee originally considered setting forth criteria which it felt should govern deintermixture. Since the Commission has now acted to initiate deintermixture in accordance with certain standards of its own, the committee has decided to withhold its own suggestions. It wishes to emphasize, however, that the Commission should act promptly to develop specific criteria with respect to its policies in effectuating deintermixture, so that the broadcasting industry and the public can be guided accordingly.

To effect such interim action, the commission therefore issued notices of proposed rulemaking in which it will consider certain channel reassignments (in 13 areas) which seem to conform to the considerations referred to above. In essence, these rulemaking proceedings contemplate selective deintermixture.

B. THE COMMITTEE'S GENERAL VIEWPOINT

Prior to the recent action of the Commission, there was strong support for urging the Commission to effect selective deintermixture on a broad scale, although it was recognized that this would not serve as a final solution to the problem. The committee therefore commends the action of the Commission in adopting this policy as an important part of its overall program.

It is worth noting that this is actually the only major action being taken by the Commission at this time which holds promise of furnishing prompt assistance and encouragement to UHF broadcasting and of promoting the preservation of the UHF band. The proposal to shift television to UHF, while certainly offering great potential benefit to existing UHF operations, is still some time off. The decision not to increase power and antenna heights in zone 1 simply forestalls further damage to UHF, while the increase in maximum power will be of real significance only as new transmitters at higher powers are developed, and only if sufficient long-range assurance can be given UHF broadcasters to induce them to invest in such equipment.

On the other hand, substantial deintermixture in the very near future will provide areas of stable UHF television which can serve as the basis for a UHF holding operation until more long-range solutions—such as the possibility of shifting all television to UHF—can be more fully explored. This is vitally important, for otherwise UHF broadcasting may continue its present downward trend to the point where it ceases to be a significant part of our television system through

the failure of more and more UHF operators. It will be hard for the Commission to convince the committee of its sincere interest in the possibility of an all-UHF television system if, while considering such a project, it provides no relief for UHF stations presently on the air, with the distinct probability that many of them might be forced to suspend operations.

It should be made clear that although the committee sympathizes with the plight of those who have pioneered in UHF broadcasting and regrets the losses they have suffered, its conclusions as set forth in this report are not motivated by any desire to go to the economic rescue of these individuals. Rather, the committee is concerned with preserving UHF broadcasting as it exists today, insofar as that may be possible, so that the UHF frequencies will continue to be used and effectively developed to the point where they can occupy their proper and essential place in the total television picture. If in the process economic benefit inures to certain UHF licensees, that is simply an incidental result of policies which the committee feels are vital to the future development of American television. Conversely, if economic injury results to those who have applied for, or received, grants of VHF channels which are deleted in the process of deintermixing particular markets, that, too, is an unavoidable concomitant of the strengthening and preserving of UHF broadcasting for the benefit of the public generally.

Many proposals and possible solutions have been advanced to this committee during the course of its extended hearings. Understandably, some such proposals have been tinged with self-interest, and both the committee and the Federal Communications Commission have been under manifold pressures to safeguard the investments in telecasting facilities of good citizens who have acted in good faith. However, a right result can never be reached unless all concerned give prime consideration to the overriding interest of the public. It is for the benefit of the public, and the preservation of our American way of life, that the Congress properly insists that our radio and television broadcasting be nationwide, competitive, and responsive to local needs.

The record in the committee's recent hearings, as well as in the hearings conducted by the Subcommittee on Communications 2 years ago, makes it plain that the chief cause for the present plight of UHF was the policy of intermixing UHF and VHF assignments adopted by the Federal Communications Commission in its sixth report and order. Quite logically, therefore, the proposal most commonly advanced as the vital first step toward the rehabilitation of UHF is to reverse this policy, wherever possible, by shifting allocations so that certain communities will have an all-VHF television service and others will have an all-UHF, or a predominantly UHF, service. This, of course, is deintermixture.

The committee has been deeply impressed by the near unanimity of opinion in support of this policy among those who testified during the hearings. Too much has happened in the last 4 years to permit the immediate application of this doctrine in every community in the country. This would be costly, both in terms of the funds necessary to effect it and in terms of loss of service to persons now enjoying it. However, the committee has received specific suggestions from a number of witnesses as to areas in which deintermixture could be

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effected on a selective basis,[4] and additional proposals have been submitted to the Federal Communications Commission suggesting other deintermixture plans.

It should be noted that deintermixing selected markets to make them all, or predominantly, UHF not only strengthens UHF broadcasting, but as a byproduct it also makes the one or more VHF channels deleted from a particular market available for possible assignment in surrounding predominantly VHF areas. Thus the VHF channels moved to preserve existing UHF operations may well be allocated in other markets to provide them with second, third, or fourth VHF stations. Thus deintermixture can improve the allocations situation in both directions.

A special problem exists in communities which have only UHF allocations and have an existing UHF station, or an off-the-air UHF station, but are located well within the service area of a metropolitan market having three or more VHF stations. In such a situation there is, in the light of the testimony before the committee, serious doubt whether such a station can survive even without local VHF competition. Therefore, all that can seemingly be done to permit a local outlet in such an overshadowed community, under existing circumstances, is to provide some form of VHF facility.

The committee will therefore closely watch the Commission's progress in achieving deintermixture. It hopes that the proceedings recently initiated will be concluded by the Commission with all possible speed, and that wherever it is found in the public interest deintermixture will be promptly effected. The committee further hopes that the Commission will act with like dispatch as to other petitions for deintermixture now pending, or hereafter filed, to the end that deintermixture be quickly accomplished on the widest possible basis. If the Commission ultimately decides on a major shift to UHF, the interim creation of all UHF areas will blend naturally into such an overall solution. If for any reason, however, the Commission finds such a shift to UHF impracticable, the existence of substantial and thriving UHF areas will operate to preserve the UHF band while the Commission seeks other means of achieving greater utilization of UHF.

One thing is certain—whether all television can be shifted to UHF, or television east of the Mississippi can be so shifted—no nationwide, competitive system of television can be developed without employing the ultra high frequencies. The Commission has recognized ever since 1945 that 12 VHF channels by themselves are not enough to permit the development of the kind of system we need. It now reiterates that position. The question, therefore, is not whether the UHF band of frequencies is important and must be preserved, but rather how this vital asset, constituting 75 percent of the spectrum allotted to television, can be rescued from its present predicament and developed to the point where it can perform its essential role in an expanding television system.

[4] Testimony of George Storer, Ernest Lee Jahncke (ABC), Joseph Heffernan (NBC), Jesse D. Fine Norwood J. Patterson, John W. English, Alex Buchan, Roger L. Putnam, J. E. O'Neill, John Engelbrecht, and others. In his recent appearance before the committee, Robert E. Kintner, president, American Broadcasting Co., stated that his company would shortly file with the committee, and with the FCC, a plan covering the top 200 markets in the country, and which, by deintermixture and the drop-in of certain VHF channels, would provide 144 markets with 3 or more V's, 3 markets with 2 V's, 5 markets with 1 V, and 48 markets with all-UHF service. Dr. Frank Stanton, president of CBS, and Robert W. Sarnoff, president of NBC, also stressed the importance of finding early solutions for the allocations problem.

We need a system which can provide service to as high a percentage of our people as possible, with local service in many more communities than at present, and with multiple services wherever they can be supported. Without UHF some of these goals cannot be fully achieved and others cannot be attained in any substantial degree at all.

C. DEINTERMIXTURE SHOULD BE EFFECTED AS BROADLY AND QUICKLY AS POSSIBLE

Deintermixture should be effected on as broad a basis as possible in order to make clear to the broadcasting industry, to advertisers and advertising agencies, and to the public that UHF is not only going to be maintained but expanded to assume its necessary place in our overall television system. In so doing, of course, long-awaited encouragement will be given to many UHF broadcasters who are hanging on, despite severe losses, in hope that at long last something will be done for UHF besides talking about it.

Mr. George Storer, president of Storer Broadcasting Co., offered a plan of deintermixture which would create 8 all-UHF markets and 17 markets with only one VHF station. Overall, his plan affected 34 markets having some 4 million UHF sets now in use. Elmer W. Engstrom of RCA, and Paul L. Chamberlain of GE testified that if a UHF holding operation of such dimensions could be effected, this would provide adequate incentive to manufacturers to continue to pour their funds into research for the development of more efficient UHF transmitting and receiving equipment.

The committee recognizes that the Commission cannot bring about deintermixture overnight. However, as stated above, it feels that the Commission should move with all possible dispatch, designating additional proposals for hearing and expediting the proceedings in every way.

Such a course, even though it may take some months to carry out, may serve to halt the deterioration of the UHF situation which has been taking place. Furthermore, it will demonstrate, more than any mere words can, the Commission's determination that UHF shall continue to play an important, and ever increasing, part in American television.

In this connection, the committee is of the opinion that the licensee or grantee of any VHF channel which may be deleted in the process of deintermixture should be granted a UHF channel in its stead. No holder of a VHF station license should lose his grant without getting a prior right to a UHF license in its place. It would appear that this could be done through appropriate show-cause proceedings. Similarly, if a VHF channel deleted from one community is allocated to another community with a faltering UHF station, or a UHF station that has been forced off the air, the licensee of the latter should be granted the new VHF channel, thus making the market all VHF.

The committee agrees with the Commission that selective deintermixture, in and of itself alone, is not a final and complete answer to the problem of television allocations. However, it is the one essential step which is broadly supported, which can be taken now, and which will, to the fullest degree possible, insure the preservation of UHF until other measures can be devised. Obviously the Commission should push its proposals for an all-UHF television system, or for other long-

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range solutions, as rapidly as possible, to the end that we may have multiple services in all important markets, with local stations in as many communities as can support them. Such a system will be possible only if UHF is preserved. The Commission should therefore proceed to deintermix on a broad scale as rapidly as possible.

VII. The Proposal of Congressional Action To Promote Manufacture and Sale of All-Channel Receivers Through Excise Tax Relief

The Commission has noted that it cannot completely control, and therefore cannot effectively promote, the manufacture and sale of all-channel television receivers. It therefore suggests that congressional action may be necessary to accomplish this, either through excise-tax relief or regulation of the interstate shipment of sets.

The committee believes that a formal announcement by the Commission that VHF broadcasting will be discontinued on a fixed date in the future, coupled with an interim requirement of simultaneous VHF–UHF broadcasting by VHF stations, would afford economic inducement for the manufacture of all-channel receivers exclusively. However, something more may be necessary.

The committee recognizes, of course, that one of the chief contributing causes to the plight of UHF broadcasting is that the great majority of the television receivers manufactured in the past, and being manufactured now, are capable only of receiving VHF signals. The UHF broadcaster is therefore faced, at the outset, with nearly 100 percent set incompatibility, and must try to persuade the people in his market to convert their sets. Since this may cost up to $50, and in some instances has not been entirely satisfactory, the UHF station operator is always at a competitive disadvantage as against VHF stations in his market. An obvious answer is to eliminate the cost differential between all-channel and VHF-only sets, so that only the former will be manufactured and sold.

This is one point on which there seems to have been complete agreement during the Potter committee hearings, and there was similar unanimity among the witnesses appearing before the committee in the course of the recent hearings. In like manner, there has been general agreement that the elimination of the excise tax on all-channel television sets would be an effective means of accomplishing this end. This would wipe out the existing cost and price differential between VHF-only and all-channel sets and would thus eliminate the incentive to manufacture VHF-only sets. The public would obviously prefer, and buy, all-channel receivers if they could be purchased as cheaply as less complete sets.

As a consequence of the testimony in 1954 in support of this policy, the Senate Finance Committee on August 2, 1954, reported H. R. 6440 with a provision which would allow a tax credit to accomplish this result. However, this measure was not acted upon prior to adjournment of the 83d Congress. Similarly, on May 24, 1955, the present chairman of the committee wrote to the chairman of the Senate Finance Committee, urging action along these lines. No favorable action was taken, however, because the Department of the Treasury resisted the proposal on the ground that it would involve a serious loss of revenue. If the excise tax had been removed on all-channel sets when first recom-

mended, the Radio-Electronics-Television Manufacturers Association has indicated that virtually the entire manufacture of receivers would have been shifted to all-channel sets. In round numbers that would have meant that the production of the last 2 years—15½ million sets—would have been capable of receiving all channels, UHF as well as VHF. As a consequence of the failure to remove the excise tax, the latest estimates show that of the 37 million sets now in the hands of the public, only some 7 million are capable of receiving UHF signals.

Because of this past history, a number of witnesses in the recent hearings proposed a more modest solution—the elimination of the tax on all-channel color sets. This would not, admittedly, remedy the situation as rapidly as would the elimination of the tax on all all-channel receivers, but it would accomplish the same result in the long run as color sets gradually replace black and white. However, this modified proposal has the advantage that it would not entail serious immediate loss of revenue because color sets are not now being sold in great numbers. If something is not done along these lines, the mistake of flooding the market with sets which can receive only part of the television spectrum will be perpetuated. This is, therefore, the logical time to act.

As a consequence, all 15 members of the committee signed a letter to the Secretary of the Treasury on March 13, 1956, urging him to support such a measure. After a prelimiuary exchange of correspondence between the Secretary's office and the chairman of the committee, the Secretary wrote on April 11, 1956, advising that the Treasury could not support the proposal to eliminate the excise tax because it would involve employment of taxes for nonrevenue purposes. (Copies of all the correspondence referred to above are attached hereto as appendix B.)

Despite the position taken by the Secretary of the Treasury, this committee still feels that Congress should take the action proposed. It is most strongly convinced that the elimination of the excise tax from all-channel color television sets can make a very real contribution toward the long-range solution of the UHF problem. As a consequence, in exchange for a really very slight loss of revenue in the immediate future, a real step can be taken toward the development of a truly nationwide television system which will produce added revenue in future years through the stimulus given to television generally, in sums many times the present sacrifice of revenue.

The committee still favors removal of the excise tax from all-channel sets generally (i. e., including black and white receivers) because this would contribute more directly and more quickly to solution of the problem than can action restricted to color sets. However, for the reasons set forth above, the committee specifically urges that the House Ways and Means Committee and the Senate Finance Committee take prompt action to approve legislation which would, at the very least, eliminate the excise tax on all-channel color television sets, to the end that this step can be taken by the Congress at the earliest possible moment.

VIII. Conclusion

It must be reiterated that this interim report is in every sense a partial report with respect to the committee's inquiry into television during the past 6 months. It is not even complete with respect to

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the allocations phase of this inquiry, since only two proposals of action which can, and should, be promptly taken are offered here. At a later date, after further review of the record compiled in these hearings, the committee may have further recommendations to make regarding television allocation.

Meanwhile, it is now recommended that the Federal Communications Commission move promptly to accomplish selective deintermixture on as broad a basis as possible, and that the Congress enact excise-tax relief with respect, at least, to all-channel color receivers. Inaction can only continue, and accelerate, the decline of UHF broadcasting, with far-reaching consequence to the future of the American communications system. On the other hand, action in accordance with the proposals herein—and forceful pursuit by the Commission of its proposal for the shift of all television to the UHF band—can mark the first real steps toward the elimination of one of the most serious barriers to the development of the kind of a television system this country should and must have.

IX. Summary

In this interim report, the committee has:

(1) Generally approved the action of the Federal Communications Commission in adopting a long-range program looking toward the shift of all, or a major part, of television to the UHF band, and urged that the Commission move rapidly to the accomplishment of its stated objectives.

(2) Specifically approved the Commission's interim program of selective deintermixture, urging that this essential preliminary step be pursued as broadly and rapidly as possible.

(3) Advised that it will follow very closely the Commission's progress toward achievement of both its interim and long-range proposals, and that it will call for periodic reports as to such progress.

(4) Urged the Congress to eliminate the excise tax on all-channel color sets, at the very least.

If these courses of action are promptly and effectively pursued, this country can look forward to a sound, competitive, nationwide television system.

X. INDIVIDUAL VIEWS OF SENATOR WILLIAM A. PURTELL ON THE TELEVISION INQUIRY INTERIM REPORT OF THE SENATE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, JULY 20, 1956

The importance of a report dealing with the allocations of television channels cannot be overestimated.

I herewith present my separate views on the interim report of the committee because while the report contains many recommendations with which I am in complete agreement, it also contains recommendations to which I cannot subscribe.

I do herewith join in the committee's commendation of the FCC for its long-range plans for the solution of most perplexing problems. I know of no field in which more complex problems face a Commission than in the field of television allocations and I sympathize with the Commission in the great task it has before it. I heartily concur in the committee's endorsement of the Commission's crash research and development program in ultra-high-frequency broadcasting and receiving equipment. There is a conceded lack of knowledge at the present time of the capabilities of ultra-high-frequency transmission and the proposed crash program should, and I believe will, develop knowledge with which the Commission can better determine the capability of UHF telecasting to render an adequate television service to all the people. However, these capabilities should be fully known before an intelligent and final appraisal and determination can be made of the ability of UHF to replace VHF for all purposes and certainly this information should be known before reallocation of VHF to UHF is effected. In the absence of the information, the crash program hopes to provide, I believe that the sixth report and order released April 14, 1952, in which the Commission adopted a national television allocation plan, should be adhered to. I hope that the crash program will develop ultrahigh broadcasting and receiving equipment which will permit complete deintermixture of whole areas of the country, such as east of the Mississippi.

However, I agree with Commissioner Doerfer in his dissenting statement in the report and order of June 25, 1956, docket No. 11532 when he stated that:

> The willingness to study the feasibility of moving all television broadcasting to the UHF band is conditioned upon a big "if." Neither this nor future Commissions will order this move unless there is practical assurance that UHF receiving and transmitting equipment develops a quality of performance equal to that of VHF. It is inconceivable that the present or future Commission will take any action which would disenfranchise thousands of people now receiving service in the fringe area of a present VHF operation without such assurance.

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Any programs of selective deintermixture are not the solution to our present problems. The Federal Communications Act provides that the distribution of frequencies among the several States and communities shall be upon a fair, efficient, and equitable basis. Selective deintermixture denies such distribution to many affected areas.

The proposed plan of transition to all UHF television is predicated upon the hope that the crash program will be successful. There is no assurance that it will be. Deintermixture in the meantime will result in many areas being denied V channels. If the crash program is not successful, these V channels will have already been allocated elsewhere, thus denying that which is known to be better today, and which may prove to be better at the end of the crash program—VHF—to many communities. A V channel once lost to a community through selective deintermixture will probably be lost forever even if the crash program is unsuccessful. Certainly the community which has received this V channel through reassignment will be loath to part with it.

I maintain that when selective deintermixture results in the allocation to one community of all VHF stations, it will have created substantial areas of resistance to the proposed plan of transition to all UHF television.

This concentration of all VHF stations in a community would certainly not encourage the manufacture and sale of all-channel sets in those areas. We surely cannot minimize the importance to UHF of the need for production and vastly increased sale of these all-channel sets.

Again, I wish to quote from Commissioner Doerfer's dissenting statement the following which is in accord with my views:

> Although I concur in that part of today's action soliciting comments as to the feasibility of moving all television broadcasting to the UHF portion of the spectrum, I cannot concur with that part of the proposed interim action which would deintermix a mere handful of so-called UHF markets. The proposed action would not make a significant or a substantial contribution toward the full utilization of the 70 UHF channels.
>
> Although the avowed purpose of deintermixing is to provide a better competitive situation in these markets in the interim, actually this action is confined merely to those pending VHF applications which incurred delays in processing. This is a fortuitous circumstance and not a substantive solution to the problem.
>
> The Federal Communications Act provides that the distribution of frequencies among the several States and communities shall be upon a fair, efficient and equitable basis. It makes no provision for a "nationwide competitive system." Admittedly ample competition, if attainable without doing violence to the equitable and efficient provisions of the act, would be in the public interest. But when this is to be accomplished at the expense of denying a first television service to substantial numbers of people, it is tantamount to displacing the congressional mandate of an efficient and equitable distribution and substituting therefor equal competitive facilities for a few applicants.

> To assign only UHF frequencies to some communities when a VHF service is available is, in my opinion, inequitable. A VHF service presently is superior to a UHF. In comparison with UHF, a VHF signal has a wider coverage and less shadow area. Both in operation and in reception. VHF is less costly. To ignore these differences in the present stage of the development of broadcasting is to disregard the specialized knowledge of this Commission and the experience of the industry and the public.

In conclusion, I reiterate that if it be found from the crash program that transition to all UHF television is practicable and desirable, I shall be thoroughly in favor of the effectuation of the proposal. But, in the meantime, in the present, I am strongly opposed to the inequitable allocating through deintermixture of VHF channels to some areas while denying this superior television to great numbers of people in other areas. This is not a "distribution of frequencies among the several States and communities upon a fair, efficient, and equitable basis."

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XI. VIEWS OF SENATOR THOMAS A. WOFFORD ON TELEVISION INQUIRY BY THE UNITED STATES SENATE INTERSTATE AND FOREIGN COMMERCE COMMITTEE JULY 11, 1956, IN WHICH HE IS JOINED BY SENATOR PRICE DANIEL

As members of the United States Senate and of this committee, we are deeply conscious of our primary obligation to work for the welfare and benefit of all of the people and to guard and preserve their interests. We were forcefully reminded of this obligation when we read statements made by Commissioner Doerfer during the course of these hearings.

On January 26, 1956, Commissioner Doerfer said:

> * * * there is one thing that has been overlooked throughout all of the comments and throughout all of the criticisms of our present policy, or the policy of the majority. And that is that section 1 of the law itself provides that the FCC was created to provide a service to all the people.

On February 7, 1956, Commissioner Doerfer made the following statement:

> I will close by saying, if this Congress wants the Commission to lay emphasis on a competitive system rather than a service to all the people I can make up my mind in 10 minutes. We will [de] intermix what we have got here and try to pull some V's out that are established and let it go at that. But I am satisfied that there will be many, many years when many rural inhabitants will never get a television service unless they get it through community antennas or some other means.

Commissioner Doerfer's apprehension that the proceedings before this committee might result, because of the lack of emphasis on the public interest, in action designed to relieve a few broadcasters at the expense of a significant portion of the public being deprived of service seems to have been justified. On June 26, 1956, the Commission released its report and order terminating proceedings in its Docket No. 11532. Among other things, this report and order seems to "lay emphasis on a competitive system rather than a service to all the people" and proposes to "deintermix what we have got here and try to pull some V's out that are established." In his dissent, Commissioner Doerfer stated:

> The Federal Communications Act * * * makes no provision for a "nationwide competitive system." Admittedly ample competition, if attainable without doing violence to the equitable and efficient provisions of the act, would be in the public interest. But when this is to be accomplished at the expense of denying a first television service to substantial

numbers of people, it is tantamount to displacing the congressional mandate of an efficient and equitable distribution and substituting therefor equal competitive facilities for a few applicants.

We are in accord with the statements of Commissioner Doerfer. The hearing record before our committee is replete with the pleadings of special interests seeking special consideration of, and financial insurance for, their own particular phase of the television industry. For example, the witnesses have included operators of UHF stations, operators of VHF stations, network representatives, network affiliate representatives, equipment manufacturers, film producers, scenery designers, etc.

The most disturbing aspect of these hearings is the fact that while the interests of the people are at stake, they have not been fully apprised of the facts in this case. Not one witness qualified to present the grassroots opinion of the public appeared before the committee during the extensive hearings.

The closest approach the committee made to hearings from the public is letters from the American Farm Bureau Federation, the National Grange and the National Council of Farm Cooperatives. These letters strongly opposed any steps that would reduce or destroy the present television service to the residents of the rural and small-town areas of the United States.

The Commission in its sixth report and order released April 14, 1952, adopted a national television allocation plan designed to comply with the congressional mandate to provide service to all of the people of the United States and to distribute this service fairly, efficiently, and equitably among the several States and communities. This plan has been effective. In less than a decade television has come to be considered almost a necessity in the lives of the people of the United States, over 90 percent of whom can receive at least 1 television signal.

According to Dr. Frank Stanton, president of Columbia Broadcasting System, television has reached 35 million homes in only 10 years whereas it took telephone service 80 years to reach this number of homes; the electric washer, 47 years; electric wiring, 62 years; the automobile, 49 years; and radio, 25 years. The average television family devotes about 6 hours a day to television viewing and the advertisers who pay for the programs are spending at the rate of about $1 billion per year to deliver their programs and advertising messages to the public.

United States families have purchased approximately 37 million receiving sets at a cost of over $16 billion. This investment has been made not only by those who can afford to purchase elaborate, large-screen color sets, but also by those who can afford only the payment of a few dollars each payday for the least expensive black and white sets. The effect upon the public rather than the personal problems of individual broadcasters should determine whether the existing allocation plan should be changed at this time. The critics of the present plan and those advocating changes consist mainly of present or prospective UHF broadcasters who state they are unable to compete successfully with VHF stations.

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We concur with the committee's recommendation that the Commission study the feasibility of deintermixture and the transfer of all or a substantial part of television broadcasting to the UHF band. However, we believe that the Commission should be cautioned, and in no uncertain terms, that these proposals must be made the subject of an exhaustive and thorough inquiry. The inquiry should be conducted by all available competent technical minds, both in the Government and in the industry, in order to insure that adoption of these proposals would not result in loss of television service to the public and would not impose unwarranted costs upon the public first and the television industry second. Until this inquiry is completed, it is premature to invite comments as to possible nonbroadcast uses of VHF television allocations.

On the basis of present information and the record made before this committee, it is clear that the present 12 VHF channels and the present 70 UHF channels must remain allocated to television. VHF service must be retained and UHF service must be further developed and expanded.

The great danger of deintermixture and a shift to an all UHF band is that many people may be deprived of television service. These people, because of their remoteness from the large metropolitan areas, are the ones having the greatest need for the entertainment, educational and cultural benefits of television.

The hearings record shows that only an insignificant number of UHF broadcasters have as yet attempted to become competitive by using the maximum power and effective antenna heights authorized by the Commission. UHF allocations should be left available in mixed markets to be used to the full extent of the UHF facilities authorized by the Commission. In this way VHF service can be maintained and UHF channels can achieve competitive stature.

In our opinion, the hearings record has failed to produce an allocation plan superior to or as good as the existing one. We believe the current allocation plan should be maintained and all possible steps should be taken to promote the growth of UHF stations in intermixed markets.

XII. INDIVIDUAL VIEWS OF SENATOR SAM J. ERVIN, JR., IN RESPECT TO THE TV INQUIRY CONDUCTED BY THE SENATE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, JULY 20, 1956

I wish to commend the committee and its staff for the thorough manner in which the inquiry into the television allocation problem and related matters has been conducted during the 84th Congress. However, I do not join in the proposed interim report because of these reasons:

After the committee had virtually completed its inquiry, the Federal Communications Commission issued an order under its rulemaking authority indicating its purpose to seek solutions to the perplexing problems now existing in the television broadcasting industry as a result of previous allocation policies.

The Communications Act of 1934, as amended, imposes upon the Federal Communications Commission the positive duty to regulate broadcasting in the public interest, and confers upon it ample authority for the performance of such duty. Since the Federal Communications Commission and its staff possess expert knowledge in the highly technical field of television broadcasting, and has the duty and authority set forth above, I believe that the Senate Committee on Interstate and Foreign Commerce should refrain from making any report at this time which could be interpreted as an effort on the part of the committee to instruct the Federal Communications Commission how it should undertake to exercise its regulatory powers.

In my judgment, the Senate Committee on Interstate and Foreign Commerce should request the Federal Communications Commission to report to it at reasonable intervals any action which it may take under its rulemaking power to the end that the committee may determine whether or not such action is in the public interest.

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APPENDIX

APPENDIX A

FCC 56–587
33117

Before the Federal Communications Commission, Washington, D. C.

Docket No. 11532

In the Matter of Amendment of Part 3 of the Commission's Rules and Regulations Governing Television Broadcast Stations

REPORT AND ORDER

By the Commission: Commissioners Hyde, Webster, Bartley, and Mack concurring and issuing statements; Commissioner dissenting and issuing a statement.

1. Prior to November 10, 1955, when this proceeding was initiated (Notice of Proposed Rulemaking, FCC 55–1124), television broadcasters and other elements of the television industry had submitted numerous suggestions and, in some cases, formal petitions for revisions of the television allocation plan.

2. The scope of these proposals and the methods employed varied widely. They ranged from channel reassignments affecting a single city to major revisions affecting the entire country. The methods included such diverse and mutually inconsistent approaches as conversion to an all-VHF system, conversion to an all-UHF system, and continued use of both bands under a wide variety of proposals. Some of the latter envisaged the more or less extensive increase of the number of VHF channel assignments through the use of new VHF channels, the use of the present 12 VHF channels under reduced spacings, or both. Others contemplated the elimination or transfer elsewhere of VHF commercial channels and the substitution, locally, of UHF channels. Some proposals were based on the revision of the existing engineering standards and policies, notably with respect to minimum spacings, maximum antenna heights and powers, the directionalizing of antennas, and the use of cross polarization. Other proposals advocated the maintenance of present standards. In short, the Commission was called upon to consider an extensive array of widely differing remedies for the difficulties which had hindered the further expansion of the nation's television service and the fuller achievement of the objectives of the Sixth Report and Order.

3. Briefly stated, those objectives were to encourage the development of a nationwide, competitive television system in which:

(*a*) All areas would have at least one service;

(*b*) The largest possible number of communities would have at least one local television station; and

(*c*) Multiple services would be available in as many communities and areas as possible to provide adequate program choice to the public and encourage the development of competition—among broadcasters, networks and other elements of the industry.

4. Among these three basic objectives, the greatest progress has been made in achieving the first. It is estimated that over 90 percent of the population can receive service from at least 1 television station. Less progress has been realized toward achievement of the second objective. Of the 1,260 communities to which at least 1 television channel is assigned, fewer than 300 have 1 or more stations on the air. As for the third objective, approximately 75 percent of the population receive service from 2 or more television stations. Slightly over 100 communities have 2 or more television stations in operation, as compared with 348 communities to which 2 or more television channels are assigned.

5. The foregoing reflects substantial progress during the 4 years which have elapsed since the present television allocation plan and engineering standards were adopted. Serious problems have arisen, however, which are impeding the continued expansion of the Nation's television services. There is general agreement on the sources of these problems. In brief, they are:

(*a*) The limitation to 12 channels in the VHF band, and

(*b*) Difficulties which have been experienced in achieving fuller utilization of the 70 UHF channels. These difficulties have been ascribed chiefly to:

(1) The large numbers of VHF-only receivers in use and the high proportion of VHF-only receivers which continue to be manufactured.

(2) Performance deficiencies of UHF transmitting and receiving equipment during the initial 4-year period of the utilization of UHF for television broadcasting.

(3) The consequent preference of program and revenue sources for VHF outlets.

6. While some of the numerous suggestions, proposals, and petitions before the Commission last November appeared to merit consideration, none was sufficiently free from disadvantage and difficulty to warrant adoption without extensive study and evaluation. Therefore this proceeding was initiated on November 10, 1955, to provide an orderly basis for examining and comparing the proposals and comments of all interested parties. Because the problems were nationwide in scope, and because widely divergent approaches to their solution required evaluation initially on a broad, nationwide basis, the Commission stated, in its Notice of Proposed Rulemaking, that it would be premature at the outset to consider proposals whose scope was limited to action affecting only single communities or local areas.

7. Accordingly, the Commission requested the submission of proposals and comments relating to overall solutions on a broad, nationwide basis. At the same time the Commission terminated 5 rulemaking proceedings which had been initiated earlier on petitions for the deintermixture of 5 individual communities (Report and Order, November 10, 1955, Dockets 11238, 11333, 11334, 11335, and 11336, FCC 55–1125), and denied a number of other similar petitions on which rulemaking had not been initiated (Memorandum Opinion and Order, November 10, 1955, FCC 55–1126).

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8. Aided by the proposals, comments, and data submitted in this proceeding, the Commission has now had an opportunity to examine and compare the different basic approaches which are advocated by members of the television industry. The material filed has been painstakingly studied and evaluated in the endeavor to accomplish the object of the proceeding, which was to reach a decision as to the basic lines on which it would be in the public interest to revise the nationwide television system, and thus provide a basis for determining the specific reassignments which could usefully be made in individual communities in conformity with the nationwide policies adopted herein.

9. In evaluating the proposals before us it has been necessary to recognize that, while actions by this Commission determine the numbers of channels which are available for television broadcasting, the extent to which they are actually utilized depends upon the construction and operation of stations by qualified broadcasters who are able and willing to enter this field of private, free enterprise and to cope, as entrepreneurs, with the conditions of the market place. The opportunity for profit is accompanied by the risk of loss. Whether broadcast operations yield one or the other is dependent on economic and technical factors, many of which are beyond the Commission's control. One important economic factor is the high cost of the construction, operation and programing of television stations as compared with similar costs for radio stations. Because of this, under the present economics of television, fewer communities are able, at this stage, to support television stations than can support radio sations. Also, because of the dependence of television stations on network and other nationally distributed programing, the techniques, developed over the years in the aural broadcasting service, which enable numerous radio stations to operate successfully with a high proportion of local, non-network programing, have not so far been developed to as great an extent in the television field. This has meant that both VHF and UHF stations which have not been able to secure their principal programs from a major network have found survival difficult, if not impossible. But since it has also meant that the stations able to offer the largest viewing audience in any given community will normally secure the principal network affiliations, many UHF stations which normally cannot provide a viewing audience comparable to those of their VHF competitors have been forced to operate on a marginal or submarginal basis or cease operation.

10. Disparities which occur frequently between the audiences which VHF and UHF stations are able to offer advertising program sponsors and national spot advertisers have resulted from the serious problem of receiver incompatibility and from limitations which have been experienced to date in the power of UHF transmitters and in the sensitivity and selectivity of UHF receivers as well as the different propagation characteristics of the UHF band.

11. While we are cognizant of the jurisdictional and practical limitations which restrict the extent to which the Commission can ameliorate the foregoing economic and technical conditions, we have endeavored to determine the realistic possibilities for improvement through revision of existing television allocations. It has become apparent that the construction and successful operation of a larger number of stations has been impeded in numerous markets by the

absence of a greater number of more nearly competitive facilities, despite the need for and the capacity of such markets to support a larger number of television outlets. Accordingly, in our evaluation of the numerous diverse proposals before us, and in our determination of the course which in our judgment offers the best possibilities for both the immediate and long range expansion of the Nation's television services, we have kept in mind the paramount need for more competitive services.

REMEDIAL ACTION PROPOSED BY THE PARTIES

12. Some of the proposals submitted under this proceeding were based on the allocation of additional VHF spectrum space to television broadcasting and on the assignment of new VHF channels which this would make possible. Before this proceeding was initiated the Commission had undertaken negotiations with the Office of Defense Mobilization to ascertain whether any of the VHF frequencies allocated to governmental services might be made available for television broadcasting. The Office of Defense Mobilization made a careful study of the matter but concluded, in a report issued by that Office on April 13, 1956, that "national security requirements and the needs of air navigation and air communications preclude the release for non-Government use of any of the very high frequencies now utilized by the Federal Government." Moreover, this Commission has concluded that it would not be practicable to obtain a significant number of additional VHF channels using VHF frequencies under our control and now allocated to other services. In these circumstances, the proposals looking toward revision of the allocation plan on the basis of additional VHF channels must now be rejected. Moreover, the fact that additional VHF frequencies cannot be made available for television broadcasting precludes revision of the allocation plan looking toward an all-VHF television system. As the Commission has recognized from the outset, and has frequently reaffirmed, the 12 VHF channels alone, are not adequate to make possible sufficient outlets for a fully competitive television system.

13. Other proposals before the Commission are based on the widespread use of additional VHF assignments, particularly in the larger markets, using the 12 VHF channels now available, but at spacings substantially shorter than the present minimum spacings. While this method appears to offer limited possibilities for meeting present needs for more stations in some areas, careful analysis of these proposals discloses difficulties which raise very serious doubt that this method would adequately serve our long-range objectives. VHF stations at substandard spacings would reduce the service areas of existing VHF stations and create new interference areas within which satisfactory signals might not be received either from existing stations or from the new stations. Our studies diclose that, unless the existing minimum spacings were reduced very substantially, the number of additional outlets which could be provided over the country by this method would be very limited. Thus, in order to permit the construction of a significant number of new VHF stations it would be necessary to make very substantial inroads in the service areas of existing stations. We recognize as urged by parties to this proceeding that the interference problems might be limited to some extent by requiring the

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squeeze-in stations to employ lower heights and powers and directional antennas, and by the use of cross-polarization. But we do not believe that the creation of numerous small VHF stations with very limited service areas would further the objectives of our nationwide television system. Similar proposals were submitted to the Commission when the present television allocation plan was under consideration. They were rejected, for reasons set out in the Sixth Report and Order (par. 136 et seq.). In our opinion those reasons remain essentially valid today. There is little likelihood, moreover, that even with the maximum possible utilization of VHF squeeze-in assignments could be made available in sufficient numbers to accommodate the maximum number of television stations for which it may be expected there will eventually be economic support in the United States. Yet it is clear that the widespread use of new VHF assignments at substandard spacings would discourage the building of additional UHF stations, and in many instances would reduce the opportunities for successful operation of UHF stations now on the air. Thus in most of the larger markets the assignment of a VHF station at substandard spacings would operate to place an artificial ceiling on the number of stations which could eventually be established. For all of these reasons we have been unable to find that the addition of new VHF assignments at substandard spacings would serve the public interest. For reasons which are discussed later, we believe, however, that it may be desirable to relax the present rules concerning minimum assignment separations to the extent necessary to permit the assignment of additional channels which do not meet the separation from the new city, provided all separations will be met from the new transmitter on these channels.

14. Some of the proposals before us advocate the deintermixture of VHF and UHF channel assignments in order to more nearly equalize competitive opportunities in individual markets while at the same time utilizing both the VHF and UHF bands in the nationwide television system. Citing competitive difficulties of UHF broadcasters, particularly in markets which are served by two or more satisfactory VHF signals, the proponents of deintermixture have advocated the elimination of some or all of the VHF channel assignments in designated cities. It is contended that this would improve the opportunities of the local UHF broadcasters to obtain, or in some cases to retain sufficient network programming and national advertising revenue to support successful station operation which, it is alleged, would be impossible for a good many UHF stations obliged to compete with two or more VHF broadcasters. The deintermixture proposals also envisage, at least in some instances, the transfer of some VHF channels to other cities where they could be used to increase the number of local VHF services. Thus, deintermixture has the dual aspect of reducing or eliminating VHF assignments in some communities and of increasing the number of VHF assignments in others.

15. It does not appear, however, that deintermixture at this stage would be practicable in a sufficient number of communities representing a sufficiently large segment of the total population to provide significantly enhanced opportunities for the fuller utilization of the UHF channels on a nationwide basis. We believe that in some types of situations, which are discussed later, deintermixture merits careful consideration as a means of increasing the opportunity for effective competition among a greater number of stations in certain individual

areas. Most of the deintermixture proposals [1] have been confined to communities where UHF stations commenced operating before the advent of one, and in some cases before the advent of a second VHF service, and where a high percentage of receivers in the hands of the local residents can receive UHF signals. There are serious obstacles to a more extensive nationwide program of deintermixture at this stage. Thus there is little support for the elimination of VHF assignments in areas with little UHF set saturation. In other instances the elimination of local VHF channel assignments would not accomplish effective deintermixture owing to the local reception from VHF stations located in neighboring communities. In still other cases the elimination of local VHF assignments would be impracticable at this stage owing to the fact that substantial "white areas" would be created. It seems doubtful for these reasons that the elimination of VHF channel assignments would be practicable at this stage in a sufficient number of communities to encourage significantly increased nationwide use of the UHF band. Nor would this technique alone satisfy the need for increasing the number of outlets in many markets, both large and small, which are at present inadequately served, and which accordingly offer only limited opportunities for competition among stations, among networks, and among other program and revenue sources.

16. Because deintermixture alone cannot solve the entire problem, we have found it necessary to consider additional means for making possible the full utilization of the UHF band for television broadcasting. As early as 1945,[2] recognizing the inadequacy of 13 VHF channels for a fully developed nationwide television system, Commission policy has looked toward the extensive use of the UHF band for television broadcasting. The expectation that ultimately the major part of television broadcasting would be carried on in the UHF band was implicit in the allocation, in the Sixth Report and Order, of 70 UHF channels to supplement 12 previously available VHF channels. But so far this expectation has not been realized owing to difficulties which none of the proposals already discussed can sufficiently overcome. One of the proposals whose consideration has been recommended in this proceeding and has been advocated in the past by industry representatives in submissions to the Commission and to Congress, should be examined. That is the proposal to shift all television broadcasting in the United States, or in a substantial portion of the country, to the ultra-high-frequency band.

17. Although it would be premature at this stage for the Commission to adopt final conclusions concerning the feasibility of transferring television to the UHF band throughout the United States, or, alternatively, in a major portion of the country, we believe that our effort to find a solution to the nationwide television allocation problem should not be concluded without a careful and thorough exploration of this approach. Another major consideration is involved. As discussed later in more detail, there are growing indications that the needs of other services for additional spectrum space are increasing rapidly. The fact that the lower part of the VHF spectrum seems

[1] A petition filed on April 18, 1955, by Mr. Albert J. Balusek, of San Antonio, Tex., proposed that the Commission deintermix UHF and VHF channel assignments in all communities throughout the United States. We are obliged to deny this petition for the reasons set out in par. 15.

[2] Report of Allocations from 25,000 kilocycles to 30 million kilocycles, May 25, 1945, Docket No. 6651.

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well suited to their needs indicates the likelihood that it will be possible to make effective use of the VHF frequencies now allocated to television, for other nonbroadcast services.

18. If suitable means could be found to overcome the difficulties inherent in so major a frequency reallocation as moving television to UHF, and if UHF could be sufficiently developed to permit the elimination of VHF channels without loss of service, a number of basic advantages would result. All stations would be able to compete on a much more nearly comparable basis technically, since there is much less disparity between the lower and upper UHF channels than between the VHF and UHF television channels. Thus the coverage of competing stations would be much more comparable than at present, and competitive opportunities among broadcasters, among networks and among other program and revenue sources would be considerably enchanced. It may be expected that this would encourage the building of numerous additional stations which would bring a first local service to some communities and much needed additional services in others. These achievements would be aided by the fact that broadcasting in a single band would, after a suitable transition period, eliminate the crucial problem of receiver incompatibility. As compared with alternative solutions which have been considered, the use of the UHF band exclusively would raise the ceiling of the maximum number of television stations which could eventually be built and successfully operated. And, as stated above, after the discontinuance of VHF television broadcasting, additional VHF frequencies would be made available to meet the growing needs of other services for VHF spectrum space.

19. Before it would be possible, however, to achieve these impressive advantages it would be necessary to find solutions for numerous problems which a transition to all UHF television would involve. These problems fall into several major groups. The first group relates to the technical transmission and reception potentialities of UHF. It will be necessary to ascertain the extent to which UHF transmission and reception can be improved, in order to make a realistic determination as to whether conversion to all-UHF television throughout the United States or in a major portion of the country would or would not result in the loss of services available now or potentially available with the use of VHF channels. In order to ascertain the capacity of UHF transmitting and receiving equipment to render satisfactory service without the concurrent use of the VHF band for television broadcasting, the Commission believes that a program of expedited research and development should be launched without delay with the object of achieving the maximum possible increase in the range of, and the reduction of the shadow areas of UHF stations. This research and development program should be concentrated on:

(*a*) UHF transmitters, with emphasis on increased transmitting power and the feasibility of the use of such techniques as UHF boosters and satellites.

(*b*) Receivers and receiving antennas, with the object of increasing the sensitivity of and reducing the noise factors of receivers; and improving their selectivity in order to permit the reassignment of UHF channels with a minimum number of restrictions on station separations.

20. The Commission will cooperate fully with all interested groups in organizing the orderly conduct of the foregoing research and development program. While it would premature to anticipate the results of this program, the Commission believes that considerable encouragement is offered by recent notable advances in increasing the power of UHF transmitters and in tubes for improving the characteristis of the UHF receivers. Notwithstanding the disadvantages frequently associated with UHF broadcasting there are some respects in which the UHF band is superior to the VHF channels allocated to television. UHF reception, for one thing, is freer than VHF from interference caused by local noise generators such as ignition systems, electrical appliances and switches, and is less susceptible to interference due to multipath reflections. Also, if future developments result in the production of single-band UHF receivers they could be simpler in design, less costly, and more efficient than present VHF-only or combination UHF–VHF receivers, owing to the fact that the ratio between the top and bottom UHF television frequencies is smaller than between the top and bottom VHF frequencies now allocated to television. The Commission believes, therefore, that despite disappointments that have been experienced during this initial 4-year period of development of UHF transmitting and receiving equipment, it would be erroneous to base our policies on an assumption that UHF transmission and reception is not susceptible of significant improvement. On the other hand, additional facts and data are needed in order to make a sound determination as to whether the fullest possible exploitation of UHF's technical potentialities will enable UHF to render a service which will justify elimination of VHF broadcasting in a major part or throughout the United States.

21. The answer to this question will not depend on whether all the disparities between UHF and VHF transmission and reception can be completely eliminated. We recognize that some differences inhere in the essential characteristics of the two frequency bands and that it may never be possible to eliminate them entirely. The problem is not, however, whether these disparities can be totally eliminated, but whether UHF transmission and reception can be perfected sufficiently to enable an all UHF system to render service to the public at least as good as or better than the service that can be provided to the public under the present system. It may very well be that owing to the opportunities which a 1-band system with 70 channels will open up for increased competition, and for the construction and operation of a greater number of stations and successful operation of more networks and other program sources, a 1-band system would permit more communities to have local service and would provide a larger number of multiple services to a greater portion of the population than would be possible with the combined use of the UHF and VHF bands. This may be possible despite certain advantages in the use of VHF frequencies for television broadcasting. The critical factor is that there is an inadequate number of these frequencies, and the use of the 12 VHF channels has discouraged the utilization of more than a fraction of the UHF assignments which were made available for television broadcasting in 1952.

22. When we learn the results of the suggested program of UHF research and development, we will be better able to ascertain the full practical capabilities of UHF. On that basis we will then be able to

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evaluate UHF's capacity to supplant VHF broadcasting without loss of service. We will also be in a better position to determine whether UHF alone would render adequate service throughout the country, or whether it would be necessary to confine all-UHF television to areas, such as east of the Mississippi River, where owing to the greater population density, and the larger number of cities able to support stations, service areas need not be as large as in the less densely populated areas to the west.

23. The second major group of problems involved in an all-UHF television system concerns the need to establish methods and timing for transition from the present system which will minimize cost and dislocation to the public and to the television industry. It would appear that a transition period would have to be sufficiently long to cover the useful life of VHF-only receivers in the hands of the public, and to permit the amortization, over a reasonable period, of VHF transmitting equipment whose use would be discontinued when VHF broadcasting would be terminated in designated portions of the United States. One method which may merit consideration is to require VHF stations to broadcast simultaneously on UHF channels during all or some part of the transition period. It would seem probable that if it should be decided to go to an all-UHF system, the announcement of a decision that VHF broadcasting would be discontinued on a fixed future date, coupled with interim simultaneous UHF broadcasting by VHF stations, would lay the necessary basis for discontinuance of the manufacture of VHF-only receivers.

24. The problem of getting UHF equipped sets into the hands of the public is not, however, subject to complete control, under existing law, by either the Commission or the industry. For even if it were to be determined that on a mass production basis improved all-channel sets can be developed at only a moderate cost differential from VHF-only sets, the forces of price competition in the industry are such as to magnify the effects of such slight differentials and in the absence of some additional spur or protection, to have the cheaper, less complete set drive out the all-channel sets. Any private agreement among manufacturers to manufacture only UHF equipped sets would run the risk of violating the antitrust laws. And in view of this fact, and the public's reluctance to spend additional sums in anticipation of future developments in the television art, we believe it may be essential for the Congress, contemporaneously without explorations of the technical problems of UHF operation, to examine the advisability of legislation to relieve the situation. Such legislation might take the form of special tax relief, such as that already suggested, to equate all-channel receiver costs with those of VHF-only sets, or perhaps more drastic remedies such as the prohibition of the shipment in interstate commerce of other than UHF-equipped receivers might be found to be necessary. We can make no definite recommendations at this time as to specific legislation; we do believe, however, that this is an important facet of the overall problem which cannot be overlooked.

25. For all the foregoing reasons the Commission is convinced that it should now undertake a thorough, searching analysis of the possibilities for improving and expanding the nationwide television system through the exclusive use of the UHF band throughout or in a major portion of the United States. In order, however, to lay the basis for

the formulation of a definite plan or proposal in a form suitable for consideration in a formal rulemaking proceeding, it will be necessary first to obtain facts and data relating to the basic problems, discussed in paragraphs 19 through 24 concerning UHF's capacity to provide a complete television service without the concomitant use of VHF channels, and the best means of effecting a transition to an all-UHF system. The Commission will welcome the submission of comments and data on these problems by all interested parties. The comments should refer to FCC Inquiry Into the Feasibility of Transferring Television Broadcasting to the UHF Band, and should be submitted, in an original and 14 copies, by October 1, 1956. The Commission will decide what further proceedings will be appropriate after considering those comments.

26. Concerning the first group of problems relating to the technical performance of UHF transmitters and receivers we believe that it will be necessary to achieve some progress with the suggested program of research and development before it will be useful to establish an extensive record on these subjects. The Commission will, however, accept any comments which interested parties may feel it may be useful to submit on this aspect of the matter at this time. We will especially welcome comments at this time concerning the most effective methods for conducting and expediting this suggested research and development program.

27. An additional group of problems concerns the question of the most efficient utilization of the VHF frequencies now allocated to television broadcasting, taking into account both the problems of television allocations and the uses to which these frequencies might be put by other services. It would be premature to examine the latter uses in detail, at this stage, since even assuming the successful disposition of the technical problems of an all-UHF system developments in the interim may considerably alter the present circumstances of the other services. At the same time, it may be useful to note briefly several developments which indicate growing need of additional space in the VHF portion of the spectrum for other services.

28. Recently there has been considerable development of techniques employing ionospheric scatter from point-to-point or fixed communication. It is in use outside the United States and appears to offer possibilities for domestic use and for international use between the United States and other countries. The useful frequency range is between about 30 and 60 mc. As the sunspot cycle advances widespread interference is caused to the mobile services which are now using the same frequencies for domestic operation. Whether the use of ionospheric scatter circuits is limited to foreign areas or in the event that there will be domestic demands for this service, the question is raised whether frequencies in the range of 30 to 60 mc should be set aside for this service within the next 5 or 10 years.

29. The conditions of use and the characteristics of radio systems employed by the land mobile services indicate that the lower VHF spectrum may be well adapted to their needs. Many of these services are related to trading areas in much the same manner as the broadcast service. Thus they have need for substantially the same coverage areas. However, only the base transmitting and receiving antennas can be raised above rooftop and treetop levels, and in general the base station uses lower antennas and lesser powers than broadcast stations.

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The governing factor, however, is the severely restricted powers and antenna heights which are available to mobile units. Only in exceptional cases do they operate from clear sites, and it is imperative that for longer ranges they have frequencies suited to their needs. The lower VHF frequencies are less affected by hills, structures, and vegetation. They also permit longer mobile antennas and more sensitive receivers. These factors indicate the desirability of considering the allocation of lower VHF frequencies to the land mobile services.

30. It is evident that the need and demand for more accommodation for land mobile services has been increasing substantially in the recent past and promises to increase further as the industrial uses of radio continue to develop. These factors raise basic questions concerning spectrum allocation which go further than the requirements of television broadcasting alone, and which take into account the rising needs of other services. Thus the question of the transfer of television broadcasting to UHF has the dual aspect of the possible improvement it may provide in the opportunity for achieving the goals of the nationwide television system upon the one hand and of accommodating expanding needs and requirements of industry on the other.

INTERIM ACTION

31. There remains the problem of interim action which should be taken pending resolution of the long-range problems already discussed. Since some years would be required in any event for the full implementation of an all-UHF system, the Commission believes that steps should be taken in the meantime to improve the opportunities for effective competition among a greater number of stations. As already indicated, a basic choice in many markets at this time lies between the elimination of VHF channel assignments to create improved opportunities for UHF broadcasting and, alternatively, the assignment of additional local VHF channels. Because of the widely varying circumstances in individual markets and the numerous factors which bear on the choice of techniques in any individual community or area, it is not possible to formulate rigid criteria whose perfunctory application to individual cases will automatically indicate the course which would best serve the public interest in each community during the interim period. We have concluded, hower, after extensive review of all the proposals which have been submitted to us for the elimination or addition of commercial VHF assignments, that the following considerations will have important bearing on decisions in specific communities or areas. In markets with one or more commercial VHF assignments, the merits of proposals to eliminate a VHF commercial assignment would depnnd to a large extent on such factors as:

1. Whether significant numbers of people would lack service as a result of the elimination of the VHF channel.
2. Whether one or more UHF stations are operating in the area.
3. Whether a reasonably high proportion of the sets in use can receive UHF signals.
4. Whether the terrain is reasonably favorable for UHF coverage.

5. Whether, taking into account all the local circumstances, the elimination of a VHF channel would be consistent with the objective of improving the opportunities for effective competition among a greater number of stations.

The desirability of assigning a first VHF channel or of adding an additional VHF channel would depend principally upon:

1. Whether it is possible to locate the new transmitter so as to meet minimum transmitter spacings.

2. Whether, in cases where it is necessary to move the channel from another city, there is greater need for the channel in the area to which it is proposed to be assigned.

3. Whether the addition of a new VHF assignment would be consistent with the objective of improving the opportunities for effective competition among a greater number of stations.

32. In appropriate instances it may be desirable, in order to attain the objectives stated in the preceding paragraph, to add an additional VHF assignment which meets all requirements of the present rules with the exception that the minimum spacing from the city where the new assignment is proposed would not be met. It would be feasible, however, in these instances, by appropriate location of the new transmitter, to meet all transmitter spacing requirements. Since it is the spacing from the transmitter that is critical, we believe, that it will be in the public interest to relax the present rules in order to permit new assignments that can be utilized within reasonable distance from the city in conformity with the minimum transmitter spacing requirement. In this way additional service can be provided without departing from the engineering standards.

IMPLEMENTATION OF INTERIM REVISIONS OF THE TABLE OF ASSIGNMENTS

33. This proceeding has served the purpose for which it was instituted, i. e., determination of the basic lines on which revisions of the existing television allocation plan should be considered. It can therefore now be terminated. We announced in the Notice of Proposed Rulemaking adopted on November 10, 1955, that after this determination had been made we would proceed to the consideration of proposals for such channel reassignments as might be made in conformity with the general policies adopted herein.

34. Accordingly, we are adopting today a number of Notices of Proposed Rulemaking in which we will consider a series of proposed channel reassignments which appear to merit consideration in conformity with the objectives outlined in this Report and Order. For example, in a number of communities, including Madison [3] and Elmira,[3] we are proposing to delete a VHF channel or reserve it for educational use. It appears on the basis of the facts before us that such action offers reasonable prospect for improving the opportunities for effective competition among a greater number of stations in these areas. In other communities, such as Fresno [4] and Peoria,[4] we are proposing to shift VHF channels to other communities, which would have the added advantage of making additional comparable facilities available in VHF markets. In several other areas, such as New

[3] Chairman McConnaughey and Commissioners Doerfer and Mack dissented from this proposed rulemaking.

[4] Commissioners Doerfer and Mack dissented from this proposed rulemaking.

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Orleans [4] and Albany,[5] it appears that similar objectives can be achieved by deleting or shifting one of the two VHF channels assigned in the area.

35. In communities such as Charleston and Duluth-Superior, which have two VHF channels assigned and no UHF stations in operation, we find that it is possible to add a third VHF channel by "drop in" or by shifting an unused educational assignment for which there appears to be no realistic prospect of early use. In Miami [6] which already has three commercial VHF assignments, we are proposing to add a fourth which it appears can be accomplished in accordance with minimum transmitter spacing requirements. We believe this course of action is more meritorious than deletion of two or all VHF channels from Miami, as some petitioners and parties to this proceeding have proposed. Where a fourth VHF channel can be employee without violating our engineering standards, deletion of VHF channels would not appear to be warranted.

36. In some markets such as Toledo, where there are only two commercial VHF assignments and no UHF stations operating, we find that despite the apparent capacity of such markets to support additional stations, it is not possible to assign an additional VHF channel because there are none available which would meet minimum transmitter spacings. Nor would it be practicable to encourage the expansion of local services on locally assigned UHF channels by eliminating a local VHF assignment because, apart from the absence of significant UHF conversion in the area, the reception of signals from VHF cities located elsewhere (in this case, Detroit) would make it doubtful that effective deintermixture could be achieved.

37. Parties interested in these proceedings will have full opportunity to submit comments in support of or in opposition to these proposals, and to submit counterproposals. The proposals put out for rulemaking at this time do not cover all the amendments to the present Table of Assignments which have been proposed in petitions now before us. We will endeavor to act on all petitions as rapidly as possible, including those already before us which have not yet been acted on and in those on which rulemaking proceedings have been initiated but not yet concluded. Parties desiring to file petitions for additional or alternative amendments to the Table of Assignments may do so.

38. In order to assist the Commission in evaluating proposals for channel reassignments which involve the removal of an existing VHF assignment for which an application is on file or a construction permit has been granted, it is requested that the parties furnish data, in accordance with the procedure set out in paragraphs 39 and 40, showing the service of all stations in the area involved.

39. As the Commission pointed out in the Sixth Report and Order and other documents, there is no available means for predicting precisely the service areas of a specific television station which will take into account time variations and variations in location, with particular reference to uneven terrain. Propagation data gathered since the Sixth Report and Order are now available. These latest data, as analyzed by the Commission's staff and others, should be used, since

[4] Commissioners Doerfer and Mack dissented from this proposed rulemaking.
[5] Chairman McConnaughey and Commissioners Doerfer and Mack dissented from this proposed rulemaking. Commissioners Webster, Bartley, and Lee concurring but would propose the deletion of channel 6 also.
[6] Commissioners Webster and Mack dissented from this proposed rulemaking.

they improve somewhat the predictions which can now be made in the average case. The new data and methods for employing them are set out in appendix A attached to this Report and Order.

40. The data supplied should be based on the following assumptions:

(1) In computing coverage, stations should be assumed to be operating with maximum power at 1,000 feet above average terrain, with the transmitter located in the center of the principal community, except where the minimum transmitter separations proposed require transmitter location elsewhere.

(2) 1,000 feet antenna height above average terrain should be used for all pertinent directions.

(3) Service should be drawn for the limit of the grade B contour as limited by noise or interference, as the case may be.

(4) The extent of grade B service should be computed in accordance with the tables set out in appendix A.

(5) Only cochannel interference need be considered.

(6) Single station method of interference should be employed, i. e., the station causing the greatest penetration is assumed to mask the interference of other stations.

(7) In computing interference or service, all stations presently on the air or authorized, and pending applications, should be taken into account, whether UHF or VHF. However, where a station that is not yet operating is considered, this fact should be indicated.

If the parties desire, data based on other assumptions may be submitted in addition to the foregoing.

41. In a Notice of Proposed Rulemaking adopted June 22, 1955 (Docket No. 11433, FCC 55–705), the Commission requested comments on a proposal to raise the maximum power of UHF television stations from 1,000 kilowatt to 5,000 kilowatts, and to substitute new curves in figures 3 and 4 of section 3.699 of the rules governing reduction of power for antenna heights exceeding 2,000 feet. In a Further Report and Order adopted on December 14, 1955, the foregoing rulemaking proceeding was incorporated as part of the general television allocation proceeding under Docket No. 11532, and the proposal is accordingly before us for review in the instant proceeding. After careful examination of the comments which have been submitted in support of and in opposition to these proposals the Commission has concluded, in the light of the decisions reached in this proceeding, that the public interest would be served by increasing the maximum power of UHF stations to 5,000 kilowatts. It has accordingly decided to amend the relevant rules, including the curves already mentioned, in figures 3 and 4 of section 3.699. Equipment is now available and in use which yields effective radiated power of 1,000 kilowatts for UHF stations. Encouraging experiments have been conducted with UHF transmissions at 4,500 kilowatts and even higher power. The increase at this time in the maximum power authorized for UHF stations seems particularly appropriate in view of the importance which is attached to the research and development program already discussed.

42. In a Further Report and Order adopted November 30, 1955 (Docket Nos. 11181 and 11532, FCC 55–1198), the Commission brought within this general television allocation proceeding the proposal to increase the antenna height at which maximum power could

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be authorized for VHF television stations in zone I. Previously, on July 20, 1955 (Report and Order, Docket No. 11181, FCC 55–802), the Commission had announced the adoption of an amendment to section 3.614 (b) of the rules which would permit VHF television stations in zone I to use maximum power at antenna heights up to 1,250 feet, instead of up to 1,000 feet as provided in the rules. The effective date for that amendment was designated as August 31, 1955. This effective date was subsequently extended in a series of Orders issued prior to November 30, 1955, at which time the Commission vacated the Report and Order of July 20, 1955, and made the record in Docket No. 11181 part of this general television allocation proceeding. The rulemaking proposal under the former Docket No. 11181 is accordingly before us for decision.

43. In reexamining this proposal we have again carefully reviewed the comments, supporting and opposing the change. We have also considered a number of petitions for reconsideration or for stay of our Report and Order of July 20, 1955 (Docket No. 11181).[7] We also have considered the issues concerning maximum antenna heights and powers for VHF stations in zone I in the light of the conclusions reached in this proceeding concerning the measures which will best facilitate the building and operation of greater numbers of television stations in both large and small markets. This objective is paramount, and furnishes the basis for our conclusion that it would be undesirable to alter the antenna height and power maxima at this time. As we pointed out in our Report and Order of July 20, 1955, there were cogent reasons for rejecting, in the Sixth Report and Order, proposals to permit all stations to use maximum power of 2,000 feet, irrespective of location. In that document the Commission adverted to the lower separations in zone I, the shorter distances between cities, and the need for more data on operations over 1,000 feet. The pattern of VHF stations in zone I is now well established on the basis of the height and power rules adopted in 1952 when the Sixth Report and Order was issued.

44. The comments and data submitted in the instant proceeding also indicate that to some extent, the overlap of service areas tends to diminish the opportunities for the building and successful operation of a larger number of stations, both in the VHF and UHF bands, in smaller communities neighboring the larger metropolitan areas. The power increases sought for zone I would tend to augment these effects of overlapping of service areas. In these circumstances, taking into account the objective of facilitating the construction and operation of a larger number of television stations, the Commission has come to the conclusion that it would be preferable not to adopt even the compromise increase contemplated in our Report and Order of July 20, 1955. In reaching this decision, the Commission has borne in mind not only the possible impact of the change on UHF stations in zone I, but also the needless burdens which would be thrust on VHF stations, which would be faced with the alternatives of sustaining increased interference from cochannel stations taking advantage of the proposed rule change, or of increasing the heights of their own antennas in order to offset it. Owing to the added cost, local zoning

[7] Filed by Elm City Broadcasting Corporation, The Air Transport Association of America, The Ultra High Frequency Coordinating Committee, Greylock Broadcasting Company (WMGT), Springfield Television Broadcasting Corporation (WWLP), Plains Television Corporation (WICS), The Helm Coal Company (WNOW-TV), Rossmoyne Corporation (WCMB-TV), Southern Connecticut and Long Island Television Company (WICC-TV).

restrictions and airspace considerations not all VHF stations in zone I would find it possible to increase their antenna heights. Thus this proposal would tend to unbalance the established pattern of VHF service in zone I, a result which would not be justified by the extension of service areas which the amendment might make possible in a relatively few cases.

45. In our Memorandum Opinion and Order adopted December 14, 1955, we listed five petitions which related directly to the matters under review in the general television allocation and which we announced we would, accordingly, consider in these proceedings. It is now appropriate to consider these petitions in the light of the decisions reached herein. The petition filed April 18, 1955, by Albert J. Balusek, of San Antonio, Tex., has already been disposed of. The remaining four are dealt with in the succeeding paragraphs.

46. On June 21, 1955, the UHF Industry Coordinating Committee requested that the Commission amend the rules so as to permit the authorization of VHF stations on a case-to-case basis at lower separations than are permitted at present. Whether such authorizations were processed on a case-to-case basis or on the basis of a general reduction of minimum separations, the Commission has concluded, for the reasons already given, that the authorization of additional VHF stations at substandard transmitter spacings would not be desirable.

47. On October 17, 1955, the Ultra High Frequency Industry Coordinating Committee filed a separate petition requesting, inter alia, that the Commission consider the television allocations problem under a broad rule making proceeding. The instant rule making proceeding corresponds with that requested by the petitioner. The Ultra High Frequency Industry Coordinating Committee also requested the deferment of authorizations or modifications of authorizations which would increase intermixture pending the conduct of the general proceeding. That portion of the petition is now moot, since we are now terminating this proceeding.

48. On October 7, 1955, the American Broadcasting Company filed a petition requesting the deintermixture of some communities, the reduction of VHF separations and other revisions to the present rules. These proposals of the American Broadcasting Company have been superseded by comments filed under the instant proceeding. It is not necessary, therefore, to give separate consideration to this petition.

49. On November 9, 1955, Scharfeld and Baron, of Washington, D. C., filed a petition proposing that channel assignments be made on the basis of individual applications rather than under a fixed Table of Assignments. The Commission has given careful consideration to this proposal, but is not persuaded that it would be in the public interest to abandon the Table of Assignments at this time. Before the Sixth Report and Order was adopted the Commission considered proposals to assign television channels on the basis of individual applications. It was decided, however, for reasons set out in that document, that it would be preferable to establish a table of assignments subject to modification through rulemaking proceedings. Although not all the reasons given at that time are applicable now to the full extent they were in 1952, when a large backlog of applications would

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have rendered the application basis almost unmanageable, the Commission hesitates to discard the table and thereby incur delays which may occur in cases where applications propose conflicting assignments. Moreover, retention of the present system of fixed assignments subject to modification in rulemaking proceedings is desirable for implementation of the policies adopted in this Report and Order.

50. In our Further Report and Order adopted in this proceeding on November 30, 1955, the Commission gave notice that it would consider herein the petition which Northern Pacific TV Corporation of Spokane, Washington, filed on November 17, 1954, requesting the amendment of section 3.614 (b) of the rules so as to permit stations operating on channels 2–6 in zone II to operate with maximum power of 100 kilowatts irrespective of antenna height. On the basis of careful consideration of this proposal the Commission has concluded that it would not serve the public interest to remove the maximum limitations set out in the present rules at the present time. The basic considerations which apply here are similar to those already discussed in paragraphs 43 and 44, above, relating to the proposal to increase the antenna height at which VHF stations is zone I are permitted to use maximum power.

51. In accordance with the decision reached on the proposal to increase the maximum power of UHF stations to 5,000 kilowatts, discussed in paragraph 41 above, IT IS ORDERED, That effective August 1, 1956, part 3 of the Commission's rules is amended as follows:

A. Section 3.614 (b) is amended by deleting in the table the expression "30 dbk (1000 kw.)" and substituting therefor "37 dbk (5000 kw.)".

B. Section 3.699 is amended by the deletion of figures 3 and 4 and the substitution therefor of the attached figures 3 and 4.

52. Authority for the foregoing amendment is contained in sections 303 (a), (b), (c), (e), (f), (g), (h), and (r) and 4 (i) of the Communications Act of 1934, as amended.

53. In accordance with the conclusions reached herein, IT IS ORDERED, That this proceeding is terminated, including that portion of this proceeding concerning amendment of the rules governing maximum antenna heights and powers in zone I, which was formerly considered under Docket No. 11181.

FEDERAL COMMUNICATIONS COMMISSION,[8]
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

[8] See attached concurring statements of Commissioners Hyde, Webster, Bartley, and Mack. See attached dissenting statement of Commissioner Doerfer.

NOTE.—Rules changes herein will be included in Amendment No. 3-16.

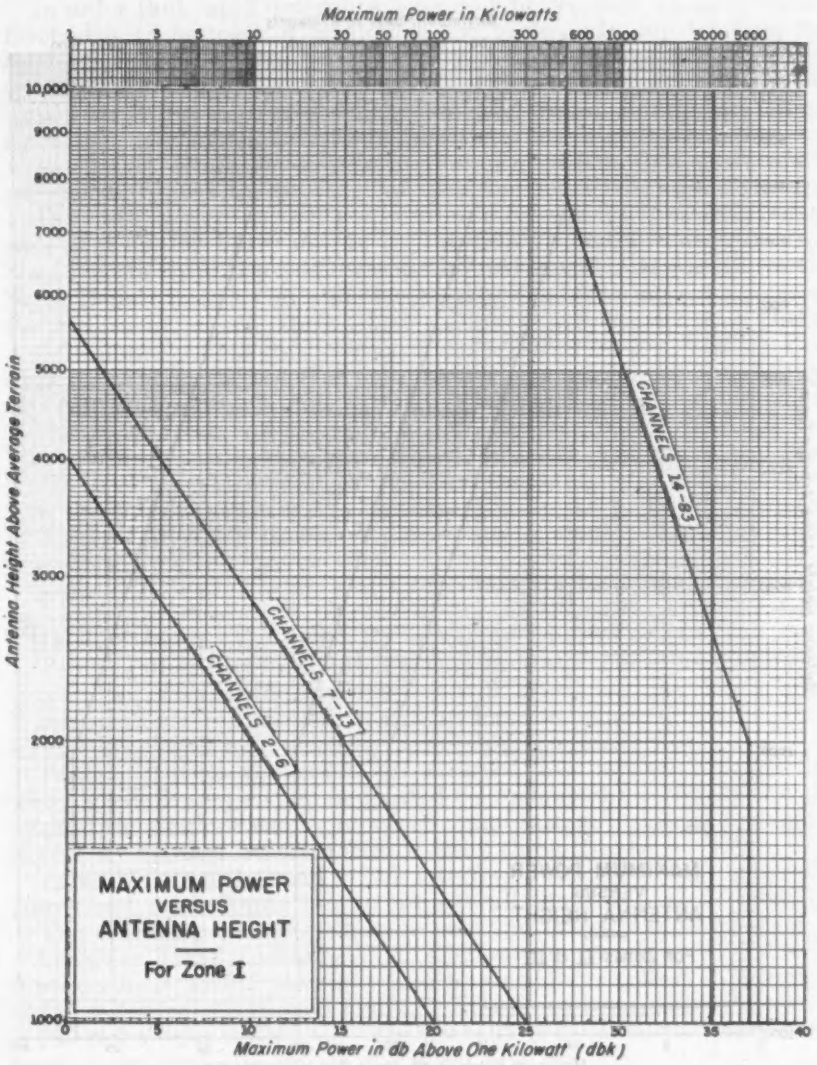

Figure 3

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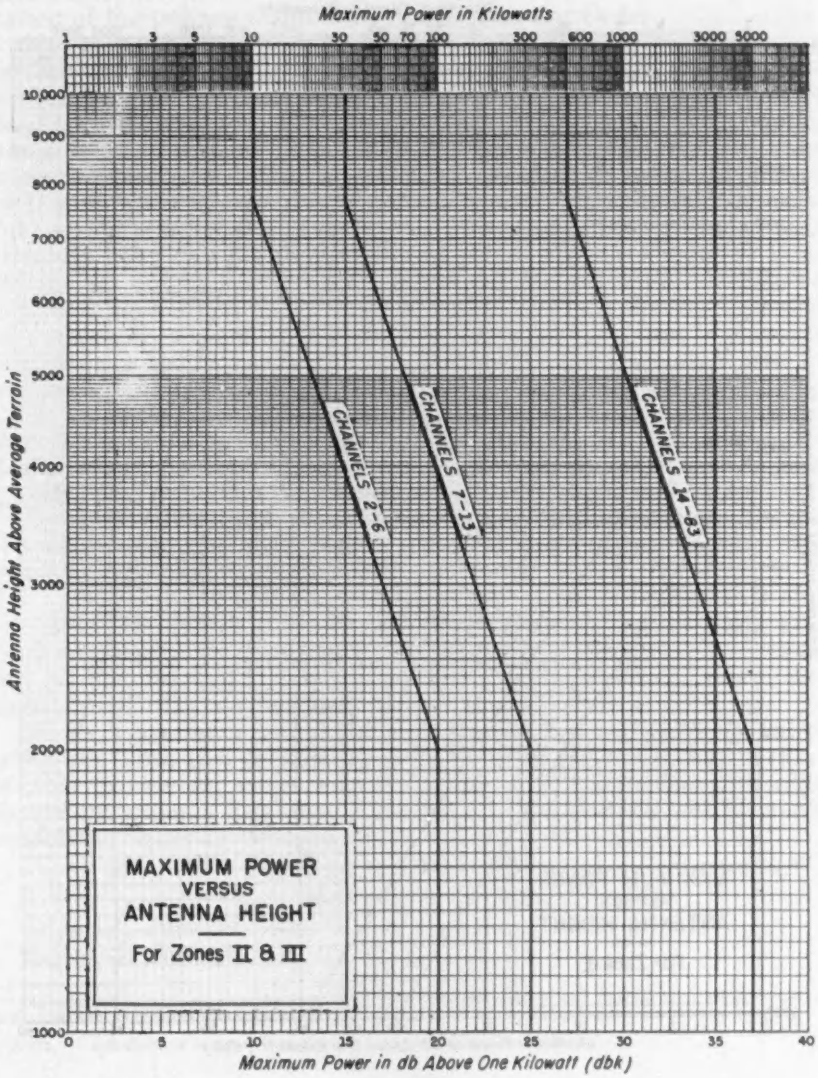
Maximum Power in Kilowatts
1
3
5
10
30
50
70
100
300
600
1000
3000
5000
10,000
9000
8000
7000
6000
5000
4000
3000
2000
1000
Antenna Height Above Average Terrain
CHANNELS 2-6
CHANNELS 7-13
CHANNELS 14-83
MAXIMUM POWER
VERSUS
ANTENNA HEIGHT
For Zones II & III
0
5
10
15
20
25
30
35
40
Maximum Power in db Above One Kilowatt (dbk)

Figure 4

The accompanying tables, which have been drawn up on the basis of new propagation data,[9] provide the basis for determining the grade B service contours of television stations in the presence of noise and cochannel interference.

In order that rapid determinations may be reached, an abbreviated method is to be used in employing the tables. In constructing the tables it has been assumed that a contour which reflects the effect of each interfering station separately will approximate that derived from computing the simultaneous effect of several interfering signals since the interference from the nearest station will predominate.

The tables are based on new minimum local field intensities of 35, 44, and 53 dbu in the presence of noise for low VHF, high VHF and UHF, respectively, and on a maximum receiving antenna discrimination of 6 db for VHF and 13 db for UHF. These new figures are employed in light of experience and improvement in the art since the Sixth Report and Order. They represent the following changes from the values employed at the time of the Sixth Report and Order. A 6-db improvement in the receiver noise figure for low VHF, a 4-db improvement in the receiver noise figure, and a 3-db improvement in the receiving antenna gain for high VHF, and a 5-db improvement in the receiver noise figure and a 2-db improvement in transmission line loss for UHF. Maximum power for VHF stations, 1,000 kilowatts for UHF stations and 1,000-foot transmitting antenna heights have been assumed in compiling the tables. All of the data underlying the tables are based on the foregoing assumptions and on 90 percent service time probability.

Table I gives the distance of a television station's signal as limited by noise for 50 and 70 percent of the locations for the low band VHF, high band VHF and UHF in the presence of noise only.

Table II gives the minimum spacing between cochannel stations in order that their grade B contours will be limited by noise only. When stations are spaced at distances less than those indicated, their service areas will be limited by the resulting interference.

Table III gives the point, on a direct line between stations, at which grade B service will be limited by cochannel interference on the basis of the single-station method of computation.[10] Linear interpolations may be used for distances between those listed.

Table IV gives the radii of the interfering signals which reduce the 70-percent noise limitation to an overall limitation of 50 percent.

The following example explains how the tables should be used:

Consider three cochannel TV stations in the low VHF band: Stations A, B, and C (see fig. 1). The stations are offset. Station A is 180 miles from station B and 225 miles from station C. Station B is 290 miles from station C. The problem is to determine the limitations of the grade B contour of station A in the presence of noise and the interfering signals from stations B and C.

[9] See Present Knowledge of Propagation in the VHF and UHF TV Bands, W. C. Boese and H. Fine TRR 2.4.15, November 15, 1955.

[10] The figures in the table were computed by obtaining the point on a line between stations at which the desired field exceeds the undesired by the required ratio. This does not give the precise point at which grade B service is limited since receiver noise factor is not considered. In dealing with stations in the low VHF band, it would be necessary to consider nonoffset stations as far removed as 650 miles in order to take noise also into account. When using the simple method employed here for the spacings usually encountered the results may place the service contours from 1 to 4 miles beyond the actual figure that will be obtained if noise were also taken into account. Nevertheless, we believe the suggested method affords results of sufficient accuracy for present purposes.

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From table I draw the 50 and 70 percent location contours as limited by noise. These are found to be circles of 78- and 71-mile radii, respectively. The contour limitation of station A in the direction of station B can be obtained by finding from table III the distance to the interference free grade B contour d_1 for a spacing of 180 miles for low VHF stations operating on an offset basis. This contour is found to fall 50 miles from station A, and this point should be plotted on a line between stations A and B.

Two *additional* points should now be located to determine the limitation of the grade B contour of station A in the presence of noise and interference from station B. These additional two points may be located from table IV. From this table find the pertinent distance d_2. The required points will be this distance from station B—the undesired station—and will lie on the 70 percent location noise-limited contour of station A, i. e., at points x and y in the diagram. In the example d_2 is 208 miles. These points will be positioned symmetrically with relation to the point already determined above and will indicate where *noise* will limit service to 70 percent of the locations and the interfering signal will limit service to 70 percent of the locations. The cumulative effect would thus be a limitation of *service* to 50 percent of the locations.

The grade B contour of station A as limited by noise, and interference from station B will be determined by an arc of a circle drawn through the three points which have been located. The above procedure should be repeated for station C.

The grade B contour limitations for station A are shown in the figure as indicated by the arrows.

TABLE I.—*Distance to noise limited contour for locations indicated*

[In miles]

	Low VHF	High VHF	UHF
At 50 percent locations	78	70	49
At 70 percent locations	71	66	45

TABLE II.—*Minimum spacing required so that grade B service contour is limited by noise only*

[In miles]

	Low VHF	High VHF	UHF
Offset	271	247	155
Nonoffset	364	326	239

TABLE III.—*Distance (d_1 in miles) to grade B interference free service contour in the direction of an interfering station at spacing indicated*

Spacing (miles)	Low VHF		High VHF		UHF	
	Offset	Nonoffset	Offset	Nonoffset	Offset	Nonoffset
100	26.5		31.0		37.0	
110	30.0		34.0		40.5	
120	32.5		37.5		43.0	
130	35.5		40.0		45.0	
140	38.5		43.0		47.0	
150	41.0		46.0		48.0	
155					49.0	
160	44.0		48.5			
170	47.0		51.0			
180	50.0		53.5			
190	52.5		56.5			41.5
200	55.5	37.5	58.5	42.5		43.0
210	58.5	40.0	61.0	45.5		44.5
220	61.5	42.5	63.5	48.0		46.5
230	64.5	45.0	66.0	51.0		48.0
240	67.5	48.0	68.5	53.5		49.0
250	70.5	50.5	70.0	55.0		
260	74.0	53.0		57.0		
270	77.5	55.5		59.0		
280	78.0	57.5		61.0		
290		60.0		63.0		
300		62.0		65.0		
310		65.0		67.0		
320		67.0		69.0		
330		69.0		70.0		
340		72.0				
350		74.0				
360		77.0				
370		78.0				

TABLE IV.—*Distance (d_2) from undesired station at which interfering signal willl reduce the 70 percent location noise limitation of desired station to an overall grade B limitation*

[In miles]

	Low VHF	High VHF	UHF
Offset	208	188	124
Nonoffset	307	274	210

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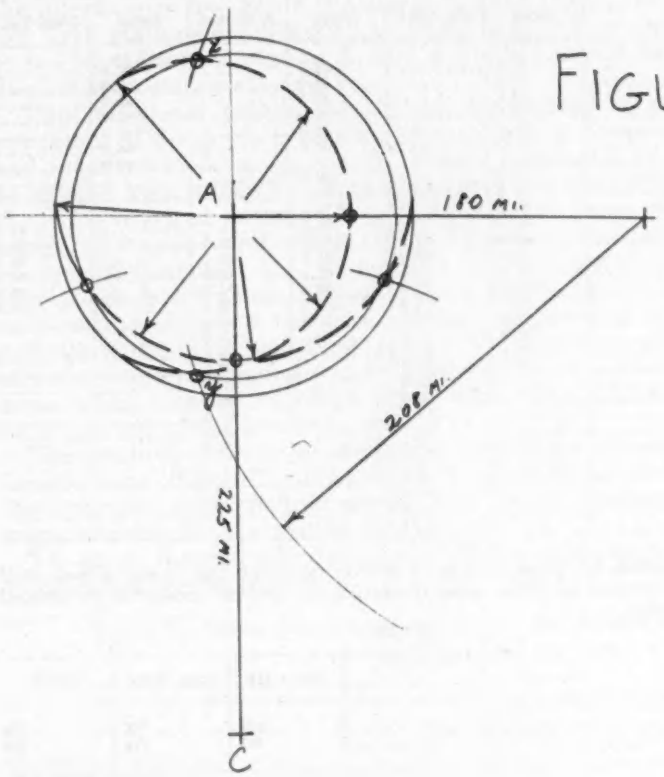
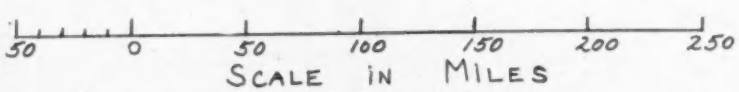
FIGURE 1



EXAMPLE OF SERVICE COMPUTATION-LOW VHF



CONCURRING STATEMENT OF COMMISSIONER E. M. WEBSTER

I concur in the thinking of a majority of the Commission that ultimately commercial television broadcasting may have to be moved to the UHF band. But, like my colleagues, I am of the opinion that a decision to make such a shift at this time would be premature in view of the present status of this phase of the radio art. Therefore, I am in accord with the Commission's desire and suggestion that the industry immediately launch an expedited research and development program designed to hasten the day when UHF will be able to assume its proper role in the nationwide television system.

The Commission, by this report and order, expresses its growing concern in regard to the rapidly increasing needs of other radio services for additional spectrum space and points out that the transfer of television broadcasting to the UHF band would provide accommodations for the expanding requirements of industry in the lower part of the VHF spectrum which is well suited to the needs of the land mobile services. However, it does not appear that there is any inclination on the part of the Commission to reexamine the spectrum for this purpose at any time in the near future. While it is true that the conclusions to be reached as a result of such an examination would be tempered by the accomplishments of the expedited research program; nevertheless, it is my opiniou that an examination of the lower VHF band should be conducted simultaneously therewith so that findings in each case could conceivably be reached at approximately the same time. Accordingly, I believe the Commission should immediately issue a notice of proposed rulemaking for the purpose of developing such data as it may need in determining the best use to be made of the lower VHF spectrum.

CONCURRING STATEMENT OF COMMISSIONERS HYDE AND BARTLEY

We concur in the adoption of the order, although we do not agree with discussion in the report regarding the disposition of certain prior TV allocation proceedings on which we have previously stated our views.

STATEMENT OF COMMISSIONER MACK

The Commission's Sixth Report and Order (FCC 52–294; April 14, 1952), adopted channel assignment principles and standards for television broadcasting which have afforded a sound legal guide for the public and industry and which have promoted the rapid development of television in the United States. Today more than 90 percent of the homes in the United States are within range of at least one station and the great majority can receive two or more stations. The construction of additional stations already approved by this Commission will bring still more service.

Consequently, it appears highly speculative, on the record in this proceeding, that any changes should be undertaken at this time to alter the principles set forth in the Sixth Report and Order prior to the adoption of a long-range program. To the contrary, the growth of the television industry is real evidence of the value of the Sixth Report in bringing television service to the greatest number of people.

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We may well recognize the industry's problems, but we cannot overlook the fact that in the present channel assignments the public is well served.

I do believe that the long-range program undertaken in conjunction with all segments of the broadcasting industry may well answer many problems which presently face the Commission.

DISSENTING STATEMENT OF COMMISSIONER DOERFER

Although I concur in that part of today's action soliciting comments as to the feasibility of moving all television broadcasting to the UHF portion of the spectrum, I cannot concur with that part of the proposed interim action which would deintermix a mere handful of so-called UHF markets. The proposed action would not make a significant or a substantial contribution toward the full utilization of the 70 UHF channels.

Although the avowed purpose of deintermixing is to provide a better competitive situation in these markets in the interim, actually this action is confined merely to those pending VHF applications which incurred delays in processing. This is a fortuitous circumstance and not a substantive solution to the problem.

The Federal Communications Act provides that the distribution of frequencies among the several States and communities shall be upon a fair, efficient, and equitable basis. It makes no provision for a "nationwide competitive system." Admittedly ample competition, if attainable without doing violence to the equitable and efficient provisions of the act, would be in the public interest. But when this is to be accomplished at the expense of denying a first television service to substantial numbers of people, it is tantamount to displacing the congressional mandate of an efficient and equitable distribution and substituting therefor equal competitive facilities for a few applicants.

To assign only UHF frequencies to some communities when a VHF service is available is, in my opinion, inequitable. A VHF service presently is superior to a UHF. In comparison with UHF, a VHF signal has a wider coverage and less shadow area. Both in operation and in reception, VHF is less costly. To ignore these differences in the present stage of the development of broadcasting is to disregard the specialized knowledge of this Commission and the experience of the industry and the public.

It cannot be denied that the reception of UHF is more costly. It requires special antennas, more sensitive receiving sets and more frequent and more costly maintenance.

Nor does the proposed rulemaking suggest efficient use of the spectrum. This Commission has allocated over 85 percent of the television spectrum space for UHF television broadcasting. The proposal today gives promise of using that portion to serve less than 10 percent of the present or the foreseeable demand. The deintermixture proposed will not create any more markets for UHF transmitting equipment or receiver sets. All markets proposed to be deintermixed have already substantially converted to UHF sets. At best, such action provides only a replacement market for less than 4 million sets and maintains the status quo—with no reasonable prospect for improvement.

The proposed action will also deny to the Commission the opportunity to gain reliable experience upon which to base future action.

By creating UHF islands, the Commission also, as a corollary, creates VHF islands. Hence, there will be little opportunity to observe how successfully a UHF service can complete with a VHF service in the same market with a slight change in the network rules.

The willingness to study the feasibility of moving all television broadcasting to the UHF band is conditioned upon a big "if." Neither this nor future Commissions will order this move unless there is practical assurance that UHF receiving and transmitting equipment develops a quality of performance equal to that of VHF. It is inconceivable that the present or future Commission will take any action which would disenfranchise thousands of people now receiving service in the fringe area of a present VHF operation without such assurance.

Because I have grave doubts as to the eventual feasibility of an all-UHF system, I consider it to be the sheerest speculation to take steps now which would for a long time, consign UHF to small and insignificant islands of competition. Even with possible improvement of equipment, the best that a UHF operator could show a national or regional advertiser in the future is success in a sheltered harbor. I can see no substantial support forthcoming from the advertisers—the backbone of broadcasting in this country—to a UHF service without proof of competitive ability in a mixed market.

No petitioner or Commissioner has indicated how this transition from an all-UHF market to a mixed market of VHF's and UHF's in the future will be accomplished. At best, nothing more is expressed than a hope. Indeed, the interim action of today is in the opposite direction from realizing the full utilization of the VHF and UHF portion of the spectrum to effect a truly nationwide competitive system.

If anything useful can be done to afford UHF an opportunity to compete successfully in a mixed market in the interim, it should be in the field of programing. To this extent, some help may be ventured by the adoption of a network rule designed to prevent a single VHF from skimming all the best network programs within a given market. Such rule may even prove helpful in a 2-only UHF market for a seedling UHF to grow. In any event, such a rule would give a more realistic promise, short of the full realization of an all-UHF system, of a truly nationwide competitive system using both types of frequencies than a proposal to solidify a large number of VHF islands unassailable now and in the future from UHF competition.

As an interim measure, some readjustment of competitive facilities in predominantly VHF markets today may be worked out. But I cannot concur that it should be done by an utter disregard of the equitable provisions of the Communications Act or the possibility of undermining the only available foundation for the growth of UHF in intermixed markets.

UNIVERSITY OF MICHIGAN LIBRARIES

FCC 56–588
33118

Before the Federal Communications Commission, Washington, D. C.

Docket No. 11747

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (Springfield, Ill.-St. Louis, Mo.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

City	Channel No.	
	Present	Proposed
Springfield, Ill	2, 20, *66	20, 39, *66
St. Louis, Mo	4, 5, *9, 11, 30, 36, 42	2, 4, 5, *9, 11, 30, 36, 42
Lincoln, Ill	53	49

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. Any interested party who is of the view that the proposed amendments should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendments may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

4. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

5. Authority for the adoption of the amendments proposed herein is contained in sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

6. In accordance with the provisions of section 1.764 of the Rules, an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,*
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

FCC 56–589
33119

Before the Federal Communications Commission, Washington, D. C.
Docket No. 11748

In the Matter of Amendment of Section 3.606, Table of Assignments Television Broadcast Stations (Hartford, Conn.-Providence, R. I.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

City	Channel No.	
	Present	Proposed
Hartford, Conn	3, 18, *24	18, *24, 61
Meriden, Conn	65	----
Easthampton, Mass	61	----
Providence, R. I	10, 12, 16, *36	3, 10, 12, 16, *36

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. In accordance with the policies adopted in the Commission's Report and Order issued today in Docket No. 11532, Channel 3 is being proposed for Providence even though the minimum spacking from the city would not be met. However, as noted in the above Report and Order, in the utilization of Channel 3, the transmitter will have to be located so as to meet the minimum transmitter spacing requirement.

4. Any interested party who is of the view that the proposed amendments should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendments may also be filed on or before

*Commissioners Doerfer and Mack dissenting.

UNIVERSITY OF MICHIGAN LIBRARIES

the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

5. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

6. Authority for the adoption of the amendments proposed herein is contained in Sections 1, 4(i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

7. In accordance with the provisions of section 1.764 of the Rules, an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,*
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

DISSENTING STATEMENT OF COMMISSIONER DOERFER

I dissent from the majority action. However, if Channel 3 is deleted from Hartford and assigned to Providence, I would move Channel 13 from New York City to Hartford; however, in the utilization of Channel 13, the transmitter will have to be located 170 miles from Utica, New York. Providence would then receive its third competitive service and the capital of Connecticut would not be deprived of its only "V" service.

FCC 56–590
33151

Before the Federal Communications Commission, Washington, D. C.

Docket No. 11749

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (Peoria, Ill., Davenport, Iowa-Rock Island-Moline, Ill.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to

*Commissioners McConnaughey, Chairman, and Mack dissenting. Commissioner Doerfer dissenting and issuing a statement.

improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

City	Channel No.	
	Present	Proposed
Galesburg, Ill.	40	77
Peoria, Ill.	8, 19, *37, 43	19, 25, *37, 43
Rock Island, Ill.	(1)	8

[1] See Davenport, Iowa.

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. In accordance with the policies adopted in the Commission's Report and Order issued today in Docket No. 11532, Channel 8 is being proposed for Rock Island even though the minimum spacing from the city would not be met. However, as noted in the above Report and Order, in the utilization of the channel the transmitter will have to be located so as to meet the minimum spacing requirements.

4. Any interested party who is of the view that the proposed amendments should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendments may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

5. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

6. Authority for the adoption of the amendments proposed herein is contained in sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

7. In accordance with the provisions of section 1.764 of the Rules, an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,*
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

*Commissioners Doerfer and Mack dissenting.

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FCC 56-591
33152

Before the Federal Communications Commission, Washington, D. C.

Docket No. 11750

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (Norfolk-Portsmouth-Newport News, VA., and New Bern, N. C.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

City	Channel No.	
	Present	Proposed
New Bern, N. C	13	12
Norfolk-Portsmouth-Newport News, Va	3, 10, 15, *21, 33	3, 10, 13, 15, *21, 33

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. In accordance with the policies adopted in the Commission's Report and Order issued today in Docket No. 11532, Channel 12 is being proposed for New Bern and Channel 13 for Norfolk-Portsmouth-Newport News even though the ninimum spacing from the city would not be met. However, as noted in the above Report and Order, in the utilization of the channels the transmitters will have to be located so as to meet the minimum spacing requirements.

4. Any interested party who is of the view that the proposed amendments should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendments may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

5. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance

with the procedures specified in paragraphs 38–40 of the above Report and Order.

6. Authority for the adoption of the amendments proposed herein is contained in sections 1, 4 (i), and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

7. In accordance with the provisions of section 1.764 of the Rules, an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,*
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

FCC 56–592
33153

Before the Federal Communications Commission, Washington, D. C.
Docket No. 11751

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (Albany-Schenectady-Troy, N. Y., and Vail Mills, N. Y.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

City	Channel No.	
	Present	Proposed
Albany-Schenectady-Troy, N. Y.	6, *17, 23, 35, 41	6, *17, 23, 35, 41, 47
Vail Mills, N. Y.	10	----------

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. In accordance with the policies adopted in the Commission's Report and Order issued today in Docket No. 11532, Channel 47 is being proposed for Albany-Schenectady-Troy even though the minimum city-to-city spacing would not be met. However, as noted in the above Report and Order, in the utilization of Channel 47 the transmitter will have to be located so as to meet the minimum spacing.

*Commissioners Hyde, Webster, and Mack dissenting.

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4. Any interested party who is of the view that the proposed amendments should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendments may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

5. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

6. Authority for the adoption of the amendments proposed herein is contained in sections 1, 4, (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

7. In accordance with the provisions of section 1.764 of the Rules, an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,*
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956
Released: June 26, 1956

Before the Federal Communications Commission, Washington, D. C.

Docket No. 11752

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (New Orleans, La.-Mobile, Ala.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

*Commissioners McConnaughey, Chairman; Doerfer and Mack dissenting. Commissioners Webster, Bartley and Lee concurring but would propose the deletion of Channel 6 also.

City	Channel No.	
	Present	Proposed
Mobile, Ala	5, 10, *42, 48	4, 5, 10, *48
New Orleans, La	4, 6, *8, 20, 26, 32, 61	6, *8, 20, 26, 32, 42, 61

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. In accordance with the policies adopted in the Commission's Report and Order issued today in Docket No. 11532, Channel 4 is being proposed for Mobile even though the minimum spacing from the city would not be met. However, as noted in the above Report and Order, in the utilization of Channel 4 the transmitter will have to be located so as to meet the minimum spacing requirements.

4. Any interested party who is of the view that the proposed amendments should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendments may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

5. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

6. Authority for the adoption of the amendments proposed herein is contained in sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

7. In accordance with the provisions of section 1.764 of the Rules an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,*
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

*Commissioners Webster and Bartley concurring but would propose the deletion of Channel 6 also. Commissioners Doerfer and Mack dissenting.

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FCC 56-594
33155

Before the Federal Communications Commission, Washington, D. C.

Docket No. 11753

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (Charleston, S. C.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As ap art of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

City	Channel No.	
	Present	Proposed
Charleston, S. C.	2, 5, *13, 17	2, 4, 5, *13, 17

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. Any interested party who is of the view that the proposed amendment should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendment may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

4. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

5. Authority for the adoption of the amendment proposed herein is contained in sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

6. In accordance with the provisions of section 1.764 of the Rules,

an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION.
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

FCC 56–595
33156

Before the Federal Communications Commission, Washington, D. C.

Docket No. 11754

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (Madison, Wis.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

City	Channel No.	
	Present	Proposed
Madison, Wis.	3, *21, 27, 33	*3, 21, 27, 33

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. Any interested party who is of the view that the proposed amendment should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendment may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

4. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

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5. Authority for the adoption of the amendment proposed herein is contained in sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

6. In accordance with the provisions of section 1.764 of the Rules, an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,*
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

FCC 56–596
33157

Before the Federal Communications Commission, Washington, D. C.

Docket No. 11755

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (Duluth, Minn.-Superior, Wis.

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

City	Channel No.	
	Present	Proposed
Dulutb, Minn.-Superior, Wis	3, 6, *8, 32, 38	3, 6, 8, *32, 38

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. Any interested party who is of the view that the proposed amendment should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendment may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

*Commissioners McConnaughey, Chairman; Doerfer and Mack dissenting.

4. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

5. Authority for the adoption of the amendment proposed herein is contained in sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

6. In accordance with the provisions of section 1.764 of the Rules, an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

FCC 56–597
33158

Before the Federal Communications Commission, Washington, D. C.
Docket No. 11756

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (Miami, Fla.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

City	Channel No.	
	Present	Proposed
Miami, Fla.	*2, 4, 7, 10, 23, 33	*2, 4, 6, 7, 10, 23, 33

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. In accordance with the policies adopted in the Commission's Report and Order issued today in Docket No. 11532, Channel 6 is being proposed for Miami even though the minimum spacing from the city would not be met. However, as noted in the above Report and Order, in the utilization of Channel 6, the transmitter will have to be located so as to meet the minimum spacing requirements.

UNIVERSITY OF MICHIGAN LIBRARIES

4. Any interested party who is of the view that the proposed amendment should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendment may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

5. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

6. Authority for the adoption of the amendment proposed herein is contained in sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

7. In accordance with the provisions of section 1.764 of the Rules, an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,*
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

FCC 56–598
33159

Before the Federal Communications Commission, Washington, D. C.

Docket No. 11757

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (Evansville, Ind.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

*Commissioners Webster and Mack dissenting.

City	Channel No.	
	Present	Proposed
Evansville, Ind	7, 50, *56, 62	*7, 50, 56, 62

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. Any interested party who is of the view that the proposed amendment should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendment may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

4. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

5. Authority for the adoption of the amendment proposed herein is contained in sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

6. In accordance with the provisions of section 1.764 of the Rules, an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,*
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

FCC 56–599
33160

Before the Federal Communications Commission, Washington, D. C.

Docket No. 11758

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (Elmira, N. Y.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a

*Commissioners Doerfer and Mack dissenting.

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long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

City	Channel No.	
	Present	Proposed
Auburn, N. Y.	37	
Elmira, N. Y.	9, 18, 24	18, 24, 30

(Offset carrier designations for the various channels will be specified in the final Report and Order.)

3. Any interested party who is of the view that the proposed amendments should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendments may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission, or (2) good cause for the filing of such additional comments is established.

4. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

5. Authority for the adoption of the amendments proposed herein is contained in sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r) and 307 (b) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

6. In accordance with the provisions of section 1.764 of the Rules, an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,*
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

*Commissioners McConnaughey, Chairman; Doerfer, and Mack dissenting.

FCC 56–600
33162

Before the Federal Communications Commission, Washington, D. C.

Docket No. 11759

In the Matter of Amendment of Section 3.606, Table of Assignments, Television Broadcast Stations (Fresno-Santa Barbara, Calif.)

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of rulemaking in the above-entitled matter.

2. The Commission today adopted a Report and Order in its general television allocation proceeding in Docket No. 11532, outlining a long-range program designed to improve the television allocation structure and at the same time specifying the bases on which it would consider channel changes in the interim with the view to improving the immediate television situation in individual communities. As a part of this interim program of channel reassignments and in accordance with the general objectives outlined in the above Report and Order, the Commission is proposing the following channel changes:

City	Channel No.	
	Present	Proposed
Fresno, Calif	12, *18, 24, 47, 53	*18, 24, 30, 47, 53
Madera, Calif	30	59
Santa Barbara, Calif	3, 20, 26	3, 12, 20, 26

(Offset carrier designations for the various channels will be specified in the final Report and Order).

3. Any interested party who is of the view that the proposed amendments should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before September 10, 1956, a written statement setting forth his comments. Comments supporting the proposed amendments may also be filed on or before the same date. Comments in reply to original comments may be filed within 15 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

4. Parties submitting comments in this proceeding are requested to direct their attention to the matters discussed in paragraph 31 of the Commission's Report and Order issued today in Docket No. 11532. All data indicating television coverage should be filed in accordance with the procedures specified in paragraphs 38–40 of the above Report and Order.

5. Authority for the adoption of the amendments proposed herein is contained in Sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h) and (r) and 307 (b) of the Communications Act of 1934, as amended, and Section 4 of the Administrative Procedure Act.

6. In accordance with the provisions of Section 1.764 of the Rules,

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an original and 14 copies of all written comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,*
MARY JANE MORRIS, *Secretary.*

Adopted: June 25, 1956.
Released: June 26, 1956.

APPENDIX B

EXCHANGE OF CORRESPONDENCE WITH DEPARTMENT OF TREASURY REGARDING EXCISE TAX RELIEF

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
March 13, 1956.

Hon. GEORGE HUMPHREY,
Secretary of the Treasury,
Washington, D. C.

DEAR MR. SECRETARY: As you no doubt know, the Senate Interstate and Foreign Commerce Committee has been holding hearings on television broadcasting, with special emphasis on the problem of preserving the ultra-high-frequency portion of the television spectrum. Some 1,300 of the 1,850 commercial television channels allocated by the Federal Communications Commission lie in this portion of the spectrum. As a consequence, all the witnesses who have testified before our committee, both from the Commission and from the industry, have agreed that it is absolutely essential that the UHF channels be preserved if we are ever to develop a truly nationwide competitive system of television serving all our people.

As of today, some 56 UHF stations which actually went into operation have left the air. Discouraged by their difficulties, 111 other holders of UHF construction permits have relinquished them prior to going on the air, and 101 other such permits are being held in suspense. Unless something can be done to improve the UHF picture, it seems entirely possible that these valuable frequencies will fall into disuse and the potential service to the people which they represent will be lost. One great danger is that if UHF operations do not receive some stimulus soon, manufacturers may have no incentive to develop improved transmitters and receivers for use in these frequencies.

Many different explanations of the problem and solutions for it have been offered to our committee, but on one proposition all parties concerned are in agreement. All the witnesses to appear before us have indicated that one of the principal causes of the UHF problem lies in the fact that only some 7 million of the 37 million television sets in use today are capable of UHF reception. This places UHF stations at a distinct disadvantage in competing with VHF stations because they must persuade viewers to buy more expensive all-channel sets, or to go to the expense of converting a VHF-only set, simply to be able to reach the public in their areas.

Beyond agreement as to the importance of this factor, there has been unanimity of feeling that the way to deal with it is through elimination of the Federal excise tax on all-channel sets. You will recall that we suggested this to the Senate Finance Committee last year,

*Commissioners Doerfer and Mack dissenting.

but because of the revenue that would be lost and for other reasons no action was taken. However, it has been suggested during our current hearings that with the advent of color television we have a second chance to eliminate this differentiation between VHF and all-channel sets. It seems to our committee that if this can now be done, the disadvantage under which UHF stations operate can be gradually eliminated as more and more of the sets now in use are replaced with color sets. If, however, no affirmative action is now taken and VHF-only color sets begin to appear on the market, this grave problem will be perpetuated. It seems to us that action now is therefore necessary.

We are advised that the elimination of the excise tax on all-channel color sets would operate to eliminate any incentive for the manufacture of VHF-only color sets. Furthermore, it is our understanding that this would represent a very nominal loss of revenue for the immediate future, since color sets are not yet being sold in quantities. It seems to us, therefore, that we are in a position to achieve a highly desirable result in the development of a nationwide television system and in the effective utilization of the spectrum at little or no cost to the Government.

This is not a measure for the benefit of UHF station owners, of television manufacturers, or even of future purchasers of color sets, although it will assure them of getting sets which can receive all channels instead of only a small percentage of them. It is, rather, a simple and effective way of dealing with one of the root causes of a dangerous situation which threatens the future of American television. The members of the Senate Interstate and Foreign Commerce Committee have therefore authorized me to write urging you to approve this proposal to eliminate the excise tax on all-channel color television sets.

On the basis of all the information available to us, the effect of such legislation will be greatly to encourage the development of UHF telecasting, so that the public interest will be very substantially served in this vital field.

Sincerely yours.

[Signed by all committee members].

TREASURY DEPARTMENT,
Washington, March 28, 1956.

DEAR SENATOR MAGNUSON: This is in reply to your letter of March 13 to Secretary Humphrey signed by you and all the other members of the Senate Committee on Interstate and Foreign Commerce urging tax exemption for ultra-high-frequency color television sets. As you noted, the earlier proposal to eliminate the tax on ordinary television sets equipped to receive the ultra-high-frequency channels was opposed by the Treasury Department because of the very large revenue loss involved. You suggest now that the immediate revenue effect of eliminating the tax only on color television sets would be very much less, but that the tax elimination would be effective in bringing about a sufficient broadening of audiences to put the UHF broadcasters on their feet.

We have examined such relevant material on this proposal as we have thus far received. I discussed the subject with Secretary

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Humphrey at some length yesterday afternoon before he left on a short trip out of town. To avoid any further delay in answering your letter, he asked me to write to you saying that he was impressed with the arguments in your letter but that he is not willing to state a position until we have explored further all the implications of the proposed action. The Secretary has emphasized on many occasions that he believes taxation should be for revenue purposes only. Any proposal for a modification of the existing tax structure for such reasons you propose has to be appraised very carefully in terms of the precedents which it would establish.

We are concerned about new exemptions because of the possible revenue loss involved if other exemptions were made which might substantially reduce the tax base. The smaller the tax base the higher the rates have to be on the things that are still subject to tax in order to get any given amount of revenue. Since we are convinced that present tax rates are undesirable, we are anxious to get them down just as soon as that is possible. Any extensive increase in expenditures would involve revenues losses on a scale that would preclude the possibility of rate reductions on those things and incomes still subject to tax.

Secretary Humphrey wishes me to tell you that he would write you further as soon as our appraisal of this subject is completed and our position determined.

I am writing the other members of the committee who signed the letter to the Secretary enclosing a copy of this letter to you.

Sincerely yours,

DAN THROOP SMITH,
Special Assistant to the Secretary
in Charge of Tax Policy.

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
March 29, 1956.

Mr. DAN THROOP SMITH,
Special Assistant to the Secretary in Charge of Tax Policy,
Treasury Department, Washington, D. C.

DEAR MR. SMITH: Thank you for your letter of March 28, 1946, regarding the matter of tax exemption for all channel color-television sets. I am glad to learn that Secretary Humphrey was impressed by the arguments set forth in our committee's letter, and can appreciate his desire to examine the implications of the proposed action further before taking a definite position.

I can realize that any proposal of this kind raises questions as to the precedents which may be established. However, our committee feels very strongly, based upon testimony taken during the last several months, that it is important to do something in the very near future to hold out some encouragement for operators of UHF television stations to the end that continued use of this important part of the available spectrum space will be made.

The committee heard testimony yesterday from Joseph V. Heffernan, vice president of the National Broadcasting Co., with regard to this general matter. He pointed out that Congress had quite commonly followed a policy of relieving new industries and important new industrial developments free of tax in their initial stages. For example, black and white television sets were not subjected to tax during the

first 4 or 5 years of the major growth of the television industry. He suggested that color television is now in this initial stage, and that any tax relief of the sort proposed to promote a nationwide, competitive system of television would have the secondary justification of being designed to let the industry get on its feet.

I appreciate your writing to me at this time to let me know of Secretary Humphrey's initial reactions to our proposal. I would appreciate it very greatly if he would give further attention to this matter upon his return to Washington, and wish again to express our sincere hope that his ultimate decision will be favorable to this proposal made by unanimous action of our committee.

Very truly yours,

WARREN G. MAGNUSON, *Chairman.*

THE SECRETARY OF THE TREASURY,
Washington, April 11, 1956.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate, Washington, D. C.

DEAR SENATOR MAGNUSON: This is in further reference to the letter of March 13, signed by you and the other members of the Senate Committee on Interstate and Foreign Commerce, concerning special temporary tax exemption for color-television sets equipped to receive all channels. We have gone just as carefully as we know how into the consideration of the subject and we do not see how we can support such a move.

In the first place, we are opposed to all times and in every way to using the tax law to accomplish other objectives. That can lead to most serious difficulties. It is our belief that the tax laws are for one purpose, and one purpose only, that is, to fairly raise and apportion among all the people in the fairest possible way the amount of money which we are required to spend to maintain our security and run the Government.

In the second place, we do not believe that this is an appropriate time to open up the extremely broad subject of tax relief as a special incentive to the development of new products and infant industries. It may be that at some time that whole great field should be restudied, but during this year and at this period in the congressional session, it would not be desirable to raise such a tremendously broad issue. Any consideration of it would involve not only the selection of the new products and infant industries that should be favored, and adequately protecting older industries that are drying up, but, most important of all, picking out the other groups in the economy to whom the increased burden of taxation can be shifted to make up for the loss of tax from those who are favored. Full consideration of these problems would require weeks of hearings and an enormous amount of study to reach any fair conclusion and would be entirely inappropriate now.

For these reasons, I must very regretfully tell you that we cannot support your request.

Very best to you.

Sincerely,

G. M. HUMPHREY.

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